APPOINTMENT OF A FOUNDATION TRUST CHAIR

GOOD PRACTICE GUIDE

(Short Title – CGPG)
(Version 1)
## APPOINTMENT OF A FOUNDATION TRUST CHAIR - GOOD PRACTICE GUIDE

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Section 1 – Overview and Responsibilities

1.1 Introduction
This guide is intended to provide advice and information for Foundation Trusts (FT) on best practice for the recruitment and selection of FT chairmen. It has been developed as a result of practical experience of the procedures, and reflects the best commercial recruitment practice available at the time of writing (2005). Throughout this document the word chair shall be taken to mean either the masculine or feminine gender.

1.2 Role of Chair
The autonomous rights granted to FT place the very highest burden on the chair and the board, who bear full responsibility and liability for the performance of the Trust. FT can be likened to listed companies on the FTSE and must therefore not only demonstrate efficiency and economy in their operation but also display the highest corporate governance standards. This requires leadership of the highest order from the chair and it is essential that the process to select one is as exhaustive and robust as possible. Further advice on the chair’s job description may be found at Annex A.

1.3 Governors Responsibilities for Selection
The council of governors represents the members, staff and stakeholder organisations. Governors representing members and staff are elected by their members to represent the constituency to which they belong and are subject to re-election at intervals. Governors representing stakeholder organisations, which will include local government authorities and primary care Trusts, are appointed by their parent organisations. It is the Trust’s relationship with the community that is at the heart of the ideal behind FT status and to this end it is essential that the chairman fosters and grows this link in every way possible.

Under the terms of the Constitution, the governors have specific and statutory responsibility for the appointment (and removal) of the chairman and non-executive directors (NED). This task of appointment is delegated to the Nominations Committee (NC) who oversee the recruitment phase, conduct the selection process, and recommend a suitable applicant for appointment to the full governing body for their ratification. The NC is described in more detail below and in Section 3b.

1.4 Role of the Board
Whilst bearing no direct responsibility for the chair’s appointment, it is vital that the views of the Board, and the Chief Executive (CEO) in particular, are considered before any decision on the appointment is made. The CEO will be included as an attending member of the selection panel and his/her views heard, but it is also prudent to provide an opportunity for Board members to meet shortlisted candidates prior to interview, and assess whether they could work with them. Their views should remain confidential until after the actual interview process and be communicated to the interview panel by the Executive Resourcing Company (ERC) representative, during the post-interview decision discussion. By arranging for interviewees to meet the board, it also allows them the chance to talk to directors and assess whether they could work with the Trust.

It is recommended therefore, that the Board meets each candidate in small groups of 3-5 on the evening before the interviews for informal group discussions only, lasting about 45 minutes each. There should not be any form
of presentation given by the candidates during these discussions. After the informal group discussions the Board should gather and relay their opinions to the ERC representative (not the CEO) who will pass these to the interview panel the next day, after the interviews themselves are complete.

1.5 Role of the Nominations Committee (NC)

The Nominations Committee (NC) consists of elected and appointed governors, and is normally chaired by the chairman of the Trust, except when matters relating to the chairman are being considered. In this case the deputy chairman of the governors (see the Trust Constitution for a description of role) will chair the NC. Exact numbers and composition of governors on the NC will be decided by trusts on an individual basis, according to the guidance provided by Monitor in their Application Guidance. As described above the NC are delegated the responsibility, by the governors, for the selection of a suitable candidate to be chairman of the Trust, and as such will act as the selection panel augmented by two external assessors (see Section 3b on Selection Process) and advised by the CEO. This task demands a certain level of experience and understanding by NC members and trusts should bear this in mind when shaping the process for selection of NC members.
Section 2 - Requirements of a Foundation Trust Chairman

2.1 Overview of the Chair’s Role (Sample job description is at Annex A)

There are many sources of advice about the chair's role and the attributes that might be expected of a chairman. These include the Institute of Directors (http://www.iod.co.uk/), and the Institute of Chartered Secretaries and Administrators (www.icsa.org.uk), and the advice given herein is a distillation.

The role of the chair can be broadly divided into seven main areas:

Meetings
Directors
Induction, development and performance evaluation
Relations with Governors, members and stakeholders
Relations with the Regulator (Monitor)
Annual Members Meeting
Additional duties

The chair’s main role is to provide clear leadership of the board, demonstrate an ability to set the board agenda and lead the other Non-Executive Directors (NED) in holding the executive to account for the satisfactory operation and management of the Trust, whilst at the same time ensuring the board plays a full role in the development and determination of the Trust's strategy. A strong personal commitment to the NHS will be essential, as will the highest standards of integrity and probity. An ability to communicate with a variety of organisations and individuals is also vital, but in particular, the chair must ensure that the directors and governors receive adequate, clear and timely information for the discharge of their duties. The facilitation of an effective relationship between the executive and non-executive directors is also a continuing, usually unseen, requirement, in conjunction with the ability to recognise strengths and weaknesses of individuals and not shrink from seeking resignations where appropriate. To this end the chair must ensure that effective development and annual appraisal systems for NED are maintained. The chair must also check that the CEO conducts regular, at least annual, appraisals of the executive directors and that the results are reported to the appropriate remuneration committee (RC). (FT have two RC – one for executive matters filled by NED, and another for NED matters filled by governors). In addition the chair must ensure, with the FT Secretary, that meetings of the board and governors are properly planned and administered, and that the organisation as a whole maintains the highest standards of corporate governance in accordance with the relevant sections of the Combined Code.

2.2 Overview of Chair Person Specification (Sample person specification is at Annex B)

The person specification required of the chair of an FT is detailed at Annex B and is not repeated here. In summary a chair must demonstrate a high level of understanding of, and interest in, healthcare issues, a commitment to NHS principle and the aims of FT status. Board level experience of the public (preferably NHS) or private sector, preferably at chair or deputy chair level, and evidence of a successful record in this post is required. Business ability, a strong sense of accountability and the ability to think strategically are essential attributes together with strong inter-personal skills. Among these the ability to communicate, influence, lead, team-build, manage and problem-solve will be essential.

In assessing candidates, NC must bear in mind the need to consider whether the Board could work with them. To this end the CEO will attend the selection panel and offer advice as required, but it is preferable for shortlisted candidates to have the chance to meet with the outgoing Chair and CEO before interview. Arrangements should also be made for them to meet with the Board informally. This will allow two-way personal assessments to be made, and may save nugatory work later by avoiding the possibility of either, someone applying who realises the post is not for them, or, selecting someone with whom the board feel they cannot work. It may also be helpful to offer interested applicants the chance to attend a Board and/or Governors meeting for them to gauge the feel of the organisation.
Section 3 – The Appointment Process

3.1 General
This section is divided into two main sub-sections:

3a. Recruitment campaign
3b. Selection process

As a general rule, the outgoing chair (assuming he/she is not standing for re-election) may be part of the process up to, and including, the choice of the executive resourcing consultant (ERC). Thereafter all matters relating to the appointment process should be chaired and directed by the deputy chair of the governors.

3.2 Why use an Executive Resourcing Company (ERC)?
This section is heavily predicated on the use of an executive resourcing company (ERC) to attract suitable candidates for possible interview. The Combined Code requires that if an organisation chooses not to use this sort of expertise in their board recruitment campaigns, then they should state the reasons for not doing so in their annual report. It is strongly recommended that an ERC is used for the following reasons.

It is vital to recruit NED of the right calibre and background if full advantage of the opportunities presented by foundation status are to be maximised. Use of an ERC, who ideally should have the capability to know the local community is ideal. A person of the required calibre is unlikely to look at local job pages for Non-Executive Director appointments and may already be employed in senior positions or may work elsewhere, whilst retaining a domicile in the catchment area. Some potential candidates will have retired to the area and therefore may not be easy to identify except by a ‘search’ process. However a local advertising campaign designed to bring the opportunity to the attention of the general public will still be required and can be used to ‘drive’ interested people to a bespoke web site where candidates can self select whether or not they put themselves forward.

The ERC should be briefed by the Chair of the NC and CEO having first agreed the selection criteria with the NC.

3.3 Responsibilities of the Executive Resourcing Company (ERC) (see Annex H)
It is essential that the responsibilities between the Executive Resourcing Company (ERC) and Trust staff are clearly stated, and are detailed at Annex H. The ERC is responsible for most actions up to and including the informing of successful and unsuccessful candidates of interview results and the taking up of references of the successful candidate. The Trust will be responsible for any administrative matters relating to on-site arrangements on the shortlist and interview day, such as room booking, catering, hosting and parking.
Section 3a - The Recruitment Campaign

3a.1 Timeline
The Trust must begin planning for this process early, and this should preferably begin 12-14 months prior to the expiry of the current chair’s term of office. This may seem unduly early but experience has indicated that this is necessary. The process must allow for the need that the incoming chair may have to give notice in their present role, and that the appointment must be ratified by the governors at a general meeting in advance of the offer of appointment being issued. A checklist and timeline for the recruitment and selection processes is provided at Annex C.

3a.2 Choice of Executive Resourcing Company (ERC)
The process begins with the choice of the ERC. Three or four organisations should be invited to ‘informal pitch’ discussions with the NC. The four should be drawn from the following categories:

- One local/regional company from the recruitment sector
- Two national companies from the recruitment sector
- NHS Appointments Commission

These will be informal discussions, lasting about one hour each, where the ERC describes how they propose to run the campaign and provide a broad order of costs. In particular the ERC should be asked to outline in some detail their intentions for advertising and the NC should be able to ask questions of each. The CEO and HR Director should be invited to attend these discussions if available.

After these informal discussions, the NC should then decide whether they have enough information to issue an immediate invitation to one company to run the campaign. This might be the case where one company stands head and shoulders above the rest for certain reasons, for example on cost grounds. It may be necessary that one or more will need to be invited to return and make a formal presentation, before the NC can make a decision.

The outgoing chair of the Trust withdraws from further proceedings once the choice of ERC is made, and is replaced by the deputy Chair of the CoG.

3a.3 Contract Specification
The selected company should be invited to submit a contract specification and conditions, accompanied by a recruitment plan timetable. The Trust should respond in writing stating which conditions are accepted.

3a.4 Job Description, Person Specification and Advertisement
The exact wording of the job description (JD) and the person specification (PS) should be agreed internally by the NC in consultation with the CEO, prior to the start of the campaign. These will be used by the ERC as a basis for the advertisement and other recruitment vehicles, for example a microsite. The advertisement should be approved by the Chair of the NC and the CEO before publication, to ensure it reflects the recruitment criteria and the Trust’s policy.
3a.5 Eligibility
All candidates must:

- Be a declared member of the FT (application forms to be provided to ERC by the Trust)
- Own a home within one of the public constituency boundaries (it is perfectly acceptable for applicants to work elsewhere, however)

ERC should not select anyone without the required, or greater, experience – a candidate who only meets some of the criteria will not be acceptable.

3a.6 Advertising
It must be borne in mind that the type and calibre of person required for the post will in all probability not be actively looking at newspaper adverts for the post. The bulk of the ‘recruitment effort’ will therefore come from the executive resourcing company searching its extensive contact list to see if they can interest suitable people in applying. That said, the media must not be ignored and advertisements for the post should be placed in both local and national newspapers.

Whilst the cost of advertising in local media may be reasonable careful consideration should be given to the use of national press. A front page advert in the Sunday Times Appointments section will cost about £15,000 (2005), whereas a back page advert costs about £10,000. A regional paper such as the Western Morning News will charge about £2,000. There is a case for restraint in national advertising as a large portion of the population will be disbarred, given the need for an applicant to have a home within one of the Trust’s public constituencies, although they might currently work elsewhere. For the recent Chair recruitment campaign the Trust placed advertisements in the Western Morning News and Sunday Times.

3a.7 Internet
The Trust owns the following microsite www.helpshapethefuture.org.uk which conforms to the Trust Internet Policy and is available for recruitment campaigns. This allows all applicants to be directed to this microsite from the ERC website, where they will find all information relevant to the post and avoids the need to send out bulky application packs.

3a.8 Health Declaration Form
The Trust requires that each applicant completes a health self-declaration form. The ERC will forward this declaration form (to be provided by the Trust), with each application acknowledgement letter. It will also be available on the website. Candidates who fail to meet health requirements will not be considered.

3a.9 Supporting Document List
A list of documents of use to prospective applicants is available at Annex D.

3a.10 Criminal Records Bureau (CRB) Checks
The offer of appointment will be subject to a satisfactory CRB check that will be initiated by the HR Dept following interview.
Section 3b – The Selection Process

This section covers arrangements from closing date to completion of interviews. It is important to establish clear demarcation of responsibilities for this phase, which is discussed in the paragraph on responsibilities in Section 3.3 above and Annex H.

3b.1 The Interview Panel

The Nominations Committee (NC) will form the interview panel, however because the NC is choosing a chairman, the current chair of the Trust is not permitted to take part after the point at which the ERC has been selected. The interview panel will therefore consist of:

- Deputy Chair of the Council of Governors – non-voting (see section on voting rules below)
- All members of the NC (6)
- 2 Independent Assessors – active but non-voting (see further advice below)
  (All members of the panel must be present throughout the interview process)

In Attendance:
- CEO
- HR Advisor (usually Director HR)
- FT Secretary

The ERC will not attend the interviews, but will relay the Board’s opinion of each candidate to the panel, after the interviews are complete.

3b.2 Independent Assessors (IA) Selection Criteria

The ERC will identify two suitable external assessors (IA) to be part of the interview panel based on the criteria below. Subject to the approval of the Nominations Committee the Trust will extend invitations to them to be part of the interview panel.

- One from a local and one from a national organisation
- One with previous or current NED experience, and one with previous or current executive director experience
- One from the NHS and one from the private sector

3b.3 Role of the Independent Assessors

The IA are present to ensure that the appointment process conforms with the Office of the Commissioner for Public Appointments (OCPA) Code of Practice and that appointments are made on merit after a fair, open and transparent process. They must be independent of the appointing organisation and should also provide guidance to the selection panel on the calibre, ability and attributes of the candidates at interview. They will facilitate discussion among the panel members when discussing the candidates’ performance in the post interview discussions. They should play a full part in the interview process but should not vote.

3b.4 Longlist

The ERC will compile a longlist of applicants who meet the selection criteria. Particulars of these candidates will be circulated to the interview panel in advance and a longlist meeting convened to decide on those applicants suitable for longlist interview by the ERC. This meeting will be attended by the interview panel including the independent assessors (IA) if they are available. However, it may be hard to find three dates (longlist, shortlist and interview) on which the 2 IAs are both available. Therefore IA attendance at longlisting is desirable but not essential. The CEO, HR Advisor and FT Secretary will be attending members at the longlist meeting.
3b.5 Shortlist
The formal shortlist process will be conducted by the interview panel at a shortlist meeting attended by the ERC, two IA (if available), CEO and the FT Secretary. If either of the IA cannot attend this meeting their views will be sought, and passed to the panel by the ERC. Prior to this meeting, the ERC will circulate an information pack on each applicant interviewed, to the interview panel, to facilitate selection for final interview.

The NC will normally aim to select 2 or 3 candidates for interview. However, if there are an exceptional number of high calibre candidates then more may be shortlisted. Once interview candidates have been chosen, the ERC will write to each one and invite them to interview, and emphasise that interview results will not be communicated until after the governors have approved the selection at their next meeting (the date of which will be known in advance).

Decisions on which candidates are to be interviewed, must be made taking account of the Trust’s Disability Policy, as advised by the Director HR.

3b.6 Interview Programme and Process
The programme and process for the interview day is detailed at Annex F. In summary interview candidates will be invited to an informal meeting with Directors on the evening before interview (see also 1.4 and Annex G), followed by a formal interview the next day lasting 45-50 minutes.

3b.7 List of Agreed Question Areas
The NC will decide on a set of question areas to ask each candidate prior to interviews. At interview the IA should lead on questioning with panel members asking additional questions.

3b.8 Voting Rules
The following voting rules will be used to select a candidate. Having interviewed all candidates the Chair of the interview panel will in plenary session:

i. Hear the advice and opinion of the two independent assessors.
ii. Hear from panel members their opinion of each candidate.
iii. Hear from the CEO their opinion of each candidate. The ERC will also represent the opinion of the Board at this stage.
iv. Conduct a vote among the panel. Neither the Chair nor the independent assessors shall vote in this ballot.
v. In the event of a tied vote the Chair of the interview panel will have the casting vote.

3b.9 Indication of Costs
Costs will vary considerably according to the extent of advertising and the choice of ERC. For the Chair campaign in 2005, the Trust paid ERC fees of £28,000 [after negotiating a discount], plus advertising (£12,000).
Section 4 - Post Selection Actions

The following post selection actions will be required:

4a. By the ERC:

4a.1 After the governors have approved the NC choice of chair at a general meeting the FT Secretary will inform the ERC of the governors’ decision. The ERC is then to inform the successful and unsuccessful candidates of the interview results. This selection will be subject to satisfactory references and CRB check.

4a.2 Take up references in respect of the chosen candidate and pass replies to the FT Secretary.

4b. By the Trust (individual person responsible in brackets):

4b.1 Obtain criminal review board (CRB) check. (Head of Recruitment)

4b.2 Arrange for the next Council of Governors meeting agenda to include a Part 2 item to discuss the results of the interviews. This item will be presented by the chair of the selection panel – the deputy Chair of the Council of Governors. (FT Sec)

4b.3 Induction package to be finalised depending on incoming Chair’s previous NHS experience. (FT Sec in consultation with CEO)

4b.4 Send letter of appointment to successful candidate. (FT Sec)

4b.5 Prepare press release and RDE News article (Head of Communications)

4b.6 Update Trust Website information. (Head of Communications)

4b.7 Arrange calls by Chair on Chairs/CEO of Strategic Health Authority, Primary Care Trusts, Local Authorities and local newspaper editors. (PA to Chair)

4b.8 Arrange for all Board members and Governors to call on Chair (PA to Chair)

4b.9 Briefs from individual executive directors. (PA to Chair as advised by CEO)
LIST OF ANNEXES

A. Chair – Example Job Description
B. Chair – Person Specification
C. Checklist
D. Supporting Document List
E. Letter of Appointment
F. Interview Day Programme
G. Responsibilities of the Executive Resourcing Company
Annex A

EXAMPLE CHAIR JOB DESCRIPTION

Post: Foundation Trust Chairman
Accountable to: Council of Governors

Role Summary
The Chairman will lead both the Board of Directors (the Board) and Council of Governors (the Council) and is the Trust’s representative within the local community. He/she must ensure high standards of probity and governance prevail and that the Trust remains within its terms of authorisation.

Principles
The Board of Directors is collectively responsible for the success of the Royal Devon & Exeter NHS Foundation Trust, by directing and supervising its affairs. This includes responsibility to maintain financial viability, using resources effectively within appropriate financial controls, ensuring high levels of probity and value for money and to deliver high standards of clinical governance, ensuring that all health standards are met. The post holder must live in the area served by the Trust, and demonstrate high standards of corporate conduct and personal probity.

General responsibilities

- To lead the Board and Council in setting the strategic direction of the Trust and ensuring their effectiveness in all aspects of their role.
- To ensure the Trust complies with the Terms of Authorisation, the Constitution and any other applicable legislation and regulations.
- To ensure effective communications are maintained between the Board and the Council and that the Board, in reaching decisions, is aware of the views of the Council, where appropriate.
- To ensure high standards of corporate and clinical governance are maintained.
- To develop a constructive, frank and open relationship with the Chief Executive through regular communication and meetings in the furtherance of the Foundation Trust’s best interests, and to provide support and advice while respecting executive responsibility.
- To ensure the provision of accurate, timely and clear information to Directors and Governors.
- To set the tone and style of Board discussions which facilitate effective decision- making and constructive debate and ensure, with the Chief Executive, effective implementation of decisions.
- To safeguard the good name and reputation of the Trust.
- To ensure, with the Chief Executive, effective communication with the Foundation Trust’s members.
- To build and maintain an effective and complementary Board, and with the Council, initiate change and plan succession in Non-Executive Director appointments.
- To lead the Board in setting the Trust’s values and standards.
- To develop and maintain close working relationships between the Board of Directors and the Council of Governors.
- To establish and build a constructive working relationship with Monitor.
- To uphold the values of the Foundation Trust, by example, and to ensure that the Foundation Trust promotes equality and diversity for all its patients, staff and other stakeholders.
- To support and challenge, where appropriate, the Chief Executive and other Directors of the Board of Directors to ensure that the Board conforms to the highest standards of corporate governance and makes appropriate decisions.
To ensure regular performance evaluation of the Board, its committees and individual Directors, and act on the results of such evaluation, by ensuring appropriate training/development where necessary to enhance its overall effectiveness as a team.

To represent the Trust with national, regional or local bodies or individuals, to ensure that the views of a wide range of stakeholders are considered and to be an ambassador for the Foundation Trust.

To chair committees or sub-groups of the Board, charged with specific activities, to support the delivery of services e.g. Remuneration Committees, Nomination Committees, as required.

To act as a Trustee of charitable funds, a function exercised through the Finance sub-Committee.

To promote equality of opportunity in treatment of staff and patients.

**Board Responsibilities**

Ensure that, through the leadership of the Chief Executive, the Board:

- Establishes effective sub-committees with appropriate non-executive director involvement.
- Establishes clear objectives to deliver the agreed plans and meet the terms of its authorisation and regularly to review performance against these objectives.
- Maintains mandatory services and retains protected property as defined in the Terms of Authorisation.
- Maintains financial viability, uses resources effectively and controls and reports its finances in accordance with the requirements set by Monitor.
- Undertakes commissions or makes facilities available for research and development and health care education, in conjunction with universities, further education institutions and research funding bodies.
- Participates in a full, formal and tailored induction programme and subsequent development activities, facilitated by the FT Secretary.
- Works with Primary Care Trusts to ensure the effective delivery of services commissioned through contracted arrangements.
- Meets all statutory requirements, legal and contractual requirements, safety hazard notices and advice relating to safety of the public, staff and patients, personal privacy and patient confidentiality.

**Council of Governors Responsibilities**

In addition to those tasks relevant to the Council listed in General Responsibilities above, to:

- Preside at council meetings and give direction to the work of the Council.
- Ensure a proper flow of information between the Board and the Council.
- Ensure an effective communications strategy is maintained to keep members and stakeholders informed.
- Ensure that governors are given appropriate development for their role.

**Other Responsibilities**

- To represent the Trust at community functions, and meetings and act as a spokesperson.
- Conduct a performance appraisal of the Chief Executive at least annually, and to conduct a process of self-appraisal.
- With the Company Secretary, ensure that all administrative aspects of Board and Council meetings are properly executed in accordance with the requirements of the Constitution.

**Time commitment**

This is currently 2-3 days per week (on average). This may be during the working day or in the evening. All members of the Board of Directors are required to attend the monthly (half day) meetings of the Board.
Remuneration

Remuneration, as determined by the NED Remuneration Committee, and approved by the Council of Governors, is (as decided by Remuneration Committee) per annum.

Remuneration is taxable under Schedule E and subject to Class I National Insurance contributions. It is not pensionable.

The Chairman is also eligible to claim allowances, currently in line with rates set by the Appointments commission, for travel and subsistence costs necessarily incurred on Trust business.

The NED Remuneration Committee will review and recommend levels of future remuneration, subject to Council of Governors final approval.

Appointment, tenure and termination of office

The Chairman is appointed for an initial period of three years, subject to satisfactory appraisal. The appointment may be renewed for a second three-year term, subject to the approval of the Council of Governors. A third term will only be considered in exceptional circumstances. The Chairman may be removed from office by Monitor or the Council of Governors, in accordance with the Constitution.

This post is a public appointment or statutory office and is not subject to the provisions of employment law. The Chairman is an appointee not an employee. To ensure that public service values are maintained at the heart of the NHS, all Directors are required, on appointment, to agree to and abide by the Code of Conduct for the Trust's Board of Directors.
Annex B

CHAIR – EXAMPLE PERSON SPECIFICATION

E  Essential    D  Desirable

E - Display an interest in healthcare issues.

E - Commitment to NHS values and principles. Understand the aims of foundation Trust status.

E - Ability to understand and accept the legal duties and liabilities of the NEDs.

E - Well respected with strong reputation for commercial expertise founded in the private or public sector. Accustomed to a high level of accountability.

E - Able to demonstrate leadership skills and engender respect from others. A good listener, able to weigh up arguments and summarise for others.

E – Strong inter-personal skills. Manage board members as a team to meet common goals and ensure they utilise their skills and expertise for the good of the organisation.

E - Exceptional communications skills, capable public speaker and able to manage the media.

E - Able to formulate strategies and plans of action to achieve objectives.

E - A sound knowledge of corporate governance issues.

E - Qualified to be a member of the NHSFT with a home within one of its public constituency boundaries.

D - Politically astute, able to grasp relevant issues and understand the relationships between interested parties. Be independent in judgement and think creatively.

D - A proven negotiator with an understanding of the wider implications of decisions.

D - The ideal candidate will have a number of years board level experience and ideally have been a deputy chair or similar in a large organisation.
ANNEX C

CHECKLIST

Notes:
1. This checklist details the main steps to be taken in the campaign and gives an approximate ‘By when’ target date.
2. This is in relation to the ‘C day’ - the day on which the new Chair takes up office.
3. This target date is expressed in months (m) or weeks (w), as indicated, prior to C day. So for example, ‘C - 6m’ means 6 months in advance of the new Chair taking up post.
4. If Christmas/NY falls within the overall period then dates may have to be advanced to accommodate.

<table>
<thead>
<tr>
<th>By When</th>
<th>Event</th>
<th>Remarks</th>
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<tbody>
<tr>
<td>C-12m thru 10m</td>
<td>Agree and finalise overall process to be used for selection and</td>
<td>Nominations Committee to undertake – but decide who does the work?</td>
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<td></td>
<td>appointment campaign</td>
<td>CoG to approve process</td>
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<td>What is the role of HR?</td>
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<td>Agree budget for campaign</td>
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<tr>
<td>C-10m</td>
<td>Invite headhunter firms to pitch for campaign business</td>
<td>4 recommended: 2 national, 1 local and NHS Appointments Commission</td>
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<tr>
<td>C-9m</td>
<td>Select headhunter firm to run campaign</td>
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<tr>
<td>C-9m thru 7m</td>
<td>Agree all campaign material to be used</td>
<td>Use of website</td>
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<td>Advertisement – which papers</td>
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<td>Candidate brief (from job description and person specification)</td>
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<td>Application forms required – Equal Opps,</td>
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<td>Notification of Interests, Membership application, Health Declaration</td>
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<tr>
<td>C-7m</td>
<td>1. Application period</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. Select and invite 2 independent assessors</td>
<td>1 private sector, 1 NHS, Board experienced</td>
</tr>
<tr>
<td>C-6m</td>
<td>Longlist meeting</td>
<td></td>
</tr>
<tr>
<td>C-5m</td>
<td>Shortlist meeting</td>
<td></td>
</tr>
<tr>
<td>C-4m</td>
<td>1. Final Interviews</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. CoG approval</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Offer of appointment</td>
<td></td>
</tr>
<tr>
<td>C-3m thru C day</td>
<td>1. Period for new Chair to work notice if required</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. Prepare/start induction package</td>
<td></td>
</tr>
<tr>
<td>C day</td>
<td>New Chair takes up office</td>
<td></td>
</tr>
</tbody>
</table>
ANNEX D

SUPPORTING DOCUMENTATION AND BACKGROUND READING

The following list of websites and documents will provide you with useful background into the NHS and the Trust:
+ available via link from the DH website (www.dh.gov.uk)
++ available via link from the Trust website (www.rdehospital.nhs.uk)

www.nhs.uk - this is the official NHS website from a patient/public perspective. Contains information about availability of services and also a useful link entitled ‘the NHS explained’.

www.dh.gov.uk - this is the official Department of Health (DH) website and contains a vast number of references. It is an integral part of the administration of the NHS from a staff perspective, and has links to many other related sites, such as the Modernisation Agency.

www.monitor-nhsft.gov.uk - the Independent Regulator’s website. “Monitor” is the brand name for the Independent Regulator of NHS Foundation Trusts (which remains their statutory title).

The NHS Plan – outlined the major aims to be developed in the NHS.


NED Bulletins – from the link on the DH website you can access various bulletins. There is one specifically for NEDs at http://www.dh.gov.uk/PublicationsAndStatistics/Bulletins/fs/en. You will be sent copies direct from the NHS Appointments Commission.

www.rdehospital.nhs.uk - the Trust's internet site. The link from here to our Freedom of Information website will provide a range of information about the Trust. There are also links from ‘About us’ to ‘Foundation Trust Documents’ which list relevant documentation relating to foundation status, some of which is statutory, and includes:

Constitution - this is the founding document detailing how the Foundation Trust is organised and run from a governance perspective.

Terms of Authorisation – lists the specific terms for this Trust under which foundation Trust authorisation was given.

Trust Standing Orders – the rulebook for the Board of Directors on how the Board of Directors meetings are run.

Service Development Strategy [also referred to as the Forward Plan] – this document describes the Trust’s plans for the next 3 years and is presented annually to both the Council of Governors and the Independent Regulator.

The role and effectiveness of non-executive directors. The Higgs Report can be accessed at http://www.dti.gov.uk/cld/non_exec_review/index.htm. This 119 page report recommends changes to corporate governance by strengthening the role and effectiveness of NEDs.

The Combined Code - can also be accessed from the above link. This code is not legally binding on Foundation Trusts and only applies to FTSE listed companies but is a compendium of good governance and we are encouraged to follow it where relevant.
OSC Overview of the NHS - This link takes you to a guide (117 pages) designed primarily for local government officer who sit on the various Overview and Scrutiny Committees. However it is a good overall guide to the NHS and also contains a useful NHS glossary: http://www.dh.gov.uk/assetRoot/04/06/99/22/04069922.pdf

Charities Commission – Responsibilities of Charity Trustees – Also available at http://www.charity-commission.gov.uk/

Trust Annual Plan (Trust website)

Annual Plan Implementation Plan (Trust website)

Governing Foundation Trusts – a paper by Richard Lewis of the King’s Fund
EXAMPLE LETTER OF APPOINTMENT

PRIVATE & CONFIDENTIAL

Ref:

[& date]
[name & address of selectee]

telno
e-mail address

Dear

On dd/mm/yyyy, upon the recommendation of the Nominations Committee, the [name] NHS Foundation Trust ('the Trust') approved your appointment as Chairman of the [name] NHS Foundation Trust. I am writing to set out the terms of your appointment. Please note that this is a contract for services and is not a contract of employment.

Appointment
Your appointment will be for an initial term of [three – to be ratified by Council of Governors] years commencing on dd/mm/yyyy, unless otherwise terminated earlier by and at the discretion of either party upon six month’s written notice. Continuation of your contract of appointment is contingent on satisfactory performance. After your initial term, you may reapply to serve for another [n] years, subject to competitive re-selection.

Time commitment
Overall we anticipate a time commitment of 2-3 days per week after the induction phase. By accepting this appointment, you have confirmed that you are able to allocate sufficient time to meet the expectations of your role.

Role
Your job description is attached. This may not be exhaustive and you will be expected to operate in other areas as the best interests of the Trust may from time to time dictate. You must at all times ensure that that your behaviour accords strictly to the Nolan principles.

Fees
You will be paid a fee of £40,000 gross per annum (figure as approved by the Council of Governors) which will be paid monthly in arrears. This figure is set by the Non-Executive Director Remuneration Committee, who decide and approve Chair and NED rates of remuneration, subject to final approval by the full Council of Governors. The Trust will reimburse you for all reasonable and properly documented expenses you incur in performing your duties.

Liability
You will be indemnified by the Trust in the event of any claim against you for a wrongful act, including associated, reasonable defence costs, providing that your actions were honest, not fraudulent and in good faith, and you have not acted recklessly. This indemnity will not extend to any civil or criminal fines or penalties imposed by law.

Outside interests
It is accepted and acknowledged that you may have business interests other than those of the Trust and will declare any conflicts that are apparent at present. In the event that you become aware of any potential conflicts of interest, these should be disclosed to the Foundation Trust Secretary as soon as apparent.
Confidentiality
All information acquired during your appointment is confidential to the Trust and should not be released, either during your appointment or following termination (by whatever means).

Induction
After appointment, the Trust will provide a comprehensive, formal and tailored induction. Site visits and meetings with selected senior managers and the Trust’s auditors will also be arranged.

Review process
You will be responsible for the performance of individual directors and the whole board and its sub-committees. NED performance should be evaluated annually.

Committees and Trust Charities
This letter refers to your appointment as Chairman of the Trust, which carries with it chairmanship of the Council of Governors. You will also be Chairman of the Executive Director Remuneration Committee and the Non-Executive Director Remuneration Committee. In addition and as mentioned in the application process, you will also be Chairman of the Trustees of the NHSFT General Charity.

Acceptance
If you are happy to accept this appointment and the enclosed codes of conduct and accountability, which are standard NHS documents, please sign the enclosed copy of this letter and return to me at the letterhead address.

Yours sincerely

To be signed either by CEO or Director HR on behalf of the Trust

Signed:

(Block capitals – initials and name of selectee)

Date:
ANNEX F
INTERVIEW DAY PROGRAMME AND PROCESS

A recommended programme for interviews of 3 candidates is shown below. This is self-explanatory and needs no further amplification. The Trust should ensure that there is a room set aside for arriving candidates to sit and relax prior to their interview. The ERC representative, who will not attend the actual interviews, will be available throughout to meet candidates. The secretary to the panel will escort them to/from the interview room.

( & date/time)
(& venue)

Panel Members (Governors)
[names]

Independent Assessors
[names]

Interview Schedule

<table>
<thead>
<tr>
<th>Time</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>09.30</td>
<td>Opening discussion/coffee</td>
</tr>
<tr>
<td>10.00</td>
<td>Candidate 1</td>
</tr>
<tr>
<td>11.00</td>
<td>Candidate 2</td>
</tr>
<tr>
<td>12.00</td>
<td>Candidate 3</td>
</tr>
<tr>
<td>12.50</td>
<td>Lunch</td>
</tr>
<tr>
<td>13.30</td>
<td>Closing discussion</td>
</tr>
</tbody>
</table>

Presentation Topic

Candidates have been asked to begin their interview with a presentation (5-7 minutes maximum in length – no visual aids but one page of bullet points is allowed) on the following topic:

(to be decided at shortlist meeting)
ANNEX G

RESPONSIBILITIES OF THE EXECUTIVE RESOURCING COMPANY (ERC)

The ERC is responsible for all elements of the appointment process up to and including informing candidates of interview results and taking up references for the successful candidate. The Trust will be responsible for on-site administrative arrangements on the day of interview. These will include room booking, catering and parking.

- All administration, acknowledging applications within 1 working day of receipt.
- Produce advertising copy and designs and advice on the most appropriate media to place the advertisements, place the advertisements.
- Advise on the content of the microsite if used and arrange for it to be put on the web and tested before going ‘live’.
- Taking telephone calls from prospective candidates to answer queries
- Conduct a full executive ‘search’ in the constituency area to bring the opportunity to the attention of as many prospective NED of the right calibre and skill set as possible.
- Send out information packs if a microsite is not being used. If candidates do not have access to the web when a site is used then hard copy packs should be sent.
- Ensure that the OCPA code of conduct is followed at all times.
- Check the eligibility of all candidates
- Following the closing date for applications check that all applications are fully completed and signed (electronically submitted applications without an original signature will be acceptable).
- Conduct a full review of all applications to select out those individuals who do not meet the selection criteria.
- Take details of all candidates to the nominations committee meeting and advise the committee regarding each candidate. Produce a report on all candidates including reasons for non-inclusion for consideration.
- Advise the nominations committee on interview techniques and appropriate questions.
- Arrange all interviews for selected candidates.
- Advise those candidates not selected for interview of the outcome of their application and follow this with an appropriately worded letter, which should be agreed with the chair.

Once the interview panel have completed the interviews and made their recommendations to the Board of Governors, the ERC will personally contact all unsuccessful interviewed candidates and tell them the outcome of the governors’ decision. Provide feedback where appropriate and then follow the call with a letter thanking the individual and inviting them to apply for future NED roles with the Trust.

A report on the process, including numbers of applicants, breakdown by gender and EOM etc should be provided for the Chair.

Original applications for the selected candidates should be kept by the Trust and all other paper work should be retained by the ERC for a minimum of 1 year under the Employment Agencies Act.