

SHEFFIELD TEACHING HOSPITALS NHS FOUNDATION TRUST

EXECUTIVE SUMMARY
REPORT TO A MEETING OF THE COUNCIL OF GOVERNORS

HELD ON 15 DECEMBER 2020

Subject:	Proposals relating to the Terms of Reference of the Council of Governors' Nomination and Remuneration Committee
Supporting Director:	Sandi Carman, Assistant Chief Executive
Author:	Jane Pellegrina, Foundation Trust Membership Office Manager
Status¹	Approval

PURPOSE OF THE REPORT:

To present the outcome from discussion held at the Single Agenda Item Governors' Forum Meeting and ask the Council of Governors to agree proposals to be incorporated in the next review of the Terms of Reference for the Council of Governors' Nomination and Remuneration Committee (NRC).

KEY POINTS:

- At its meeting on 30 June 2020 the Council of Governors agreed that a further review of the NRC Terms of Reference in respect of practice and process should be undertaken.
- This additional review was conducted via a single agenda item Governors' Forum meeting held on 5 October 2020.
- Proposals emerged from the meeting relating to:
 - NRC membership and tenure:
 - The Lead Governor and Convenor of the Governors' Forum should be ex-officio members of the NRC with voting rights
 - A four year membership tenure on the NRC with an option to stand for re-selection by peers
 - Relationship between NRC and the Council of Governors
 - Within the boundaries of confidentiality the Vice-Chair of the NRC to continue to provide regular verbal reports on the work of the NRC to the Council of Governors

IMPLICATIONS

	Aim of the STHFT Corporate Strategy 2017-2020	Tick as Appropriate
1	Deliver the best clinical outcomes	
2	Provide Patient Centred Care	
3	Employ Caring and Cared for Staff	
4	Spend Public Money Wisely	
5	Deliver Excellent Research, Education & Innovation	

RECOMMENDATION(S):

The Council of Governors is asked to AGREE the proposals outlined for incorporation in the next review of the NRC Terms of Reference.

APPROVAL PROCESS

Meeting	Presented by	Approved	Date
Council of Governors	Sandi Carman		15 December 2020

¹ Status: A = Approval
 A* = Approval & Requiring Board Approval
 D = Debate
 N = Note

**Council of Governors
15 December 2020**

**Proposals relating to the Terms of Reference
of the Council of Governors' Nomination and Remuneration Committee**

Background

The Council of Governors' Nomination and Remuneration Committee (NRC) Terms of Reference are reviewed annually by the NRC with any amendments ratified by the Council of Governors. The current Terms of Reference were approved by the NRC on 22 January 2020 and ratified by the Council of Governors on 28 May 2020. The Assistant Chief Executive confirmed that the current Terms of Reference met good practice requirements.

At a meeting on 30 June 2020 the Council of Governors agreed that, in addition to the annual review of the NRC Terms of Reference a further review of the Terms of Reference in respect of practice and process should be undertaken. The Council of Governors agreed that the additional review should be conducted via a single agenda item Governors' Forum meeting.

Single Agenda Item Governors' Forum Meeting

Scope of Review

A single agenda item Governors' Forum Meeting was held virtually on 5 October 2020. All governors were invited to attend. The meeting was chaired by the Convenor of the Governors' Forum, the Trust Chair, the Assistant Chief Executive and 17 governors took part in the meeting. As previously agreed, the meeting was facilitated by Paula Ward, Head of Organisation Development, and the Membership Manager was in attendance.

The key areas for discussion were identified as:

- NRC membership and tenure
- NRC engagement and relationship with the Council of Governors

The following information was provided:

- Current NRC Terms of Reference setting out the NRC membership, with no restriction on tenure, as follows:
 - Trust Chair
 - Four public/patient governors (one of whom appointed Vice-Chair of the NRC)
 - Two staff governors
 - Two partner governors
- History of membership of the NRC setting out the recent changes to the Committee membership.
- Results of a benchmarking exercise across a range of organisations in relation to NRC membership tenure and methodologies in place to select NRC members.

Discussion

It was noted that, given the nature of the tasks undertaken by the NRC, there was a particular need for discretion and confidentiality to be observed and, as NRC meetings may be infrequent, ideally some continuity in the membership was desirable.

The Chair assured governors that he considered the current NRC working arrangements to function well and he was assured of the confidentiality provided by the current Terms of Reference.

Proposals

The following proposals emerged from the detailed discussions:

1. NRC Membership and Tenure

- i) The Lead Governor and the Convenor of the Governors' Forum to be ex-officio members of the NRC with voting rights.
- ii) There should be a four year tenure for governors on the NRC with an option to stand for re-selection by peers.

2. Relationship between NRC and Council of Governors

- i) Within the boundaries of confidentiality the Vice-Chair of the NRC to continue to provide regular verbal reports on the work of the NRC to the Council of Governors.

Actions

The Council of Governors is asked to agree the proposals outlined for incorporation in the next review by the NRC of its Terms of Reference.