



## CHAIR'S APPOINTMENT PROCEDURE & REMUNERATION

### Options for consideration by Guarantors

12<sup>th</sup> November 2014

#### 1. Background

1.1 Healthwatch Cambridgeshire (HWC) was registered as a Community Interest Company (CIC) in May 2013. As part of its statutory duty to establish local Healthwatch Cambridgeshire County Council decided upon the legal status of HWC and that a remunerated Chair be appointed. They also decided upon the initial term and remuneration package and undertook the recruitment process. As a CIC HWC is able to remunerate its Directors.

#### 2. Current Position

2.1 Ruth Rogers, the current HWC Chair, was appointed in February 2013 for a term of two years at a remuneration of £8,000 per annum. The terms and conditions related to this appointment are attached at Appendix 1. The time commitment is approximately eight days per month.

2.2 Paragraph 10 of the HWC Memorandum and Articles state that:

‘The Directors may appoint one of their number to be Chair of the Directors for such term of office as they determine and may at any time remove him or her from office’.

2.3 The Memorandum and Articles do not state any maximum number of terms for any Non-Executive Directors nor stipulate any requirement as to the election of the Chair.

2.4 No appointment took place during 2014 as the County Council had appointed the existing Chair for a term of two years.

2.5 The Chair is accountable to the County Council Commissioner and the HWC Board.

#### 3. Benchmarking

3.1 Many local Healthwatch who do not currently remunerate their Chair, for example Essex, are struggling with the time commitment required when a Chair is not remunerated, and are actively considering their position. Furthermore many Healthwatch are considering whether the remunerated Chair role should be independently appointed. Local Healthwatch without remunerated Chairs report that they experience considerable difficulties securing someone with appropriate knowledge, skills, experience and time available.

3.2 The position of five Healthwatch are set out below:

	£ per annum	How appointed	Maximum terms
Suffolk	5,000	By election of Members at AGM	All NEDs have a maximum of six years
Norfolk	7,500	To be reviewed by Board after three year initial appointment period	Not stated
Gloucestershire	12,000	Open recruitment	Initial two year term with a possible further two years on a year by year basis
Leeds	6,500	By election of Members at AGM	Two year terms with no maximum number of terms
Essex	None (but currently being considered by HWE Board and Commissioner)	By election of Members at AGM	Not stated

#### 4. Recommendations

##### 4.1 Remuneration

HWC is in line with the approach being taken by many other county Healthwatch in considering remuneration as the best way in which to secure someone with both the skills and commitment required. **It is therefore recommended that the remuneration remains at £8,160 per annum.**

##### 4.2 Method of appointment

This role requires a complex mix of skills, experience and attributes and is vital in maintaining the integrity, effectiveness and independence of Healthwatch Cambridgeshire.

**It is therefore recommended that the appointment of the Chair should be an external recruitment process through which existing Non-executive Directors could also apply.** This would facilitate the widest and best qualified pool of candidates. It is further suggested that the Interview Panel comprise at least one Guarantor, a patient/service user or carer and the HWC Commissioner, or their nominated representative. The Panel would be advised by the CEO.

4.3 Maximum Terms

Where decisions have been taken on this point, it appears that two terms of three years is the standard approach taken by other local Healthwatch and is in line with many other public appointments. **It is therefore recommended that the Chair be appointed for a three year term, with a maximum of two terms.** It should be noted that, if this were approved by the Board, the Chair would be the only Non-Executive Director to which this would apply.

5. Other Considerations

- 5.1 If a limit were to be applied to the length and maximum number of terms served by the HWC Chair, should this also apply to Non-Executive Directors?
- 5.2 The Board is asked to consider whether accountability needs to be included in the Chair's Terms & Conditions of Appointment.
- 5.3 There is Guarantor recommendation that the Board appoint a Vice-Chair, if this is agreed by the Board, it would seem expedient to do this at the next AGM in July 2015.
- 5.4 The Board is asked to consider whether any of above would require an amendment to the HWC Memorandum and Articles of Association.
- 5.5 It has been suggested that the expenses section of the Chair's Terms & Conditions should include 'reasonable accommodation costs for essential overnight stays'.



## TERMS & CONDITIONS OF APPOINTMENT

**Position:** Chair

**Remuneration:** £8,160 per annum. Taxable under Schedule E and subject to Class 1 NI contributions but it is not pensionable.

**Expenses:** Mileage paid at 45p per mile on HWC business plus reimbursement of reasonable expenses, such as car parking. All expenses to be claimed on a monthly basis using designated HWC forms.

**Time commitment:** This is a part time role and there is considerable flexibility in how time should be spent, including some evening engagements and preparation time. It is estimated that as a minimum this role requires 8 days a month.

**Period of appointment:** The initial appointment will be for a period of up to 2 years. To be reviewed by the HWC Board and Guarantors after this period, with recommendations made to the following AGM.

**Standards in public life:** High standards of corporate and personal conduct will be expected at all times.

**Conflict of interest:** Any actual or potential conflicts of interest that arise in the course of board business need to be declared, including any relevant business interests, positions of authority or other connections with commercial, public or voluntary bodies. See HWC Conflicts of Interest Policy for further information.

**Impact of appointment on people in receipt of benefits:** Appointment may affect entitlement to benefit. This will depend on individual circumstances and the type of benefit received. Advice should be sought from the Department that pays the benefit.

NB This post is a public appointment and not a job and therefore not subject to the provisions of employment law.