

# Trust Board

## Report Cover Sheet

**Agenda Item: 7**

<b>Date of Meeting:</b>	Wednesday 3 June 2020			
<b>Report Title:</b>	Approval of amendment to the Trust's Constitution			
<b>Purpose of Report:</b>	To receive approval for the proposed amendment to the Trust's Constitution			
	<b>Decision:</b> <input checked="" type="checkbox"/>	<b>Discussion:</b> <input type="checkbox"/>	<b>Assurance:</b> <input type="checkbox"/>	<b>Information:</b> <input type="checkbox"/>
<b>Trust Goals that the report relates to: (Including reference to any specific risk)</b>				
<b>Recommendations: (Action required by Board of Directors)</b>	To receive the report for approval.			
<b>Financial Implications:</b>				
<b>Risk Management Implications:</b>				
<b>Human Resource Implications:</b>				
<b>Equality and Diversity Implications:</b>				
<b>Author:</b>				
<b>Presented by:</b>	Mrs A Marshall, Chair			

# GATESHEAD HEALTH NHS FOUNDATION TRUST

## Proposed Amendment to the Constitution

### **Background**

Prior to the Covid 19 pandemic, we advertised for two new Non-Executive Directors to replace Shaun Bowron and John Robinson who were both coming to the end of their terms of office at the end of June 2020. Interviews for those two positions will be held on 19 and 20 May.

As part of the response to the Covid 19 pandemic, the Board is currently operating under new governance arrangements. In addition the Trust is operating in unprecedented times. It will be difficult for the new appointees to fully take up their respective roles from 1 July when it is unclear whether they will be allowed on the QE site, and whether they will be attending meetings via video conferencing. Conversely Shaun and John both have a wealth of experience as NEDs at the Trust and could be of great assistance until the new appointees are established.

Therefore both Shaun and John have agreed to remain as NEDs for a further three months until 30 September for which we are grateful. The new appointees can commence on 1 July and work alongside Shaun, John and the whole Board to gain a better understanding of the Trust and its governance and assurances processes during that three month period.

### **Our Constitution**

Our Constitution currently provides for the composition of the Board to include a Chairman and seven other Non-Executive Directors. Therefore the Constitution will have to be amended to accommodate the overlap between Shaun and John and the new appointees.

One option would be to increase the number of NEDs to nine. However that would lead to an imbalance in the number of NEDs and Executives on the Board.

A better option may be to add a new class of NEDs, namely Associate NEDs. This role would not have voting rights on the Board, but an Associate NED would have access to the Board, be able to attend meetings and shadow other NEDs. This is a role which would assist in integrating the new appointees for the first three months, after which they would become full NEDs in place of Shaun and John.

In addition the Associate NED role could have advantages in the future if we become aware of aspiring NEDs who may have senior level experience but not much at Board level, or may have no previous NHS experience, but who are interested in a NED role on our Board. Having the ability under our Constitution to engage such a person as an Associate NED would be a good development opportunity for them, and will give us a chance to gauge if that person would have the skills we would want on our Board when a NED position becomes available.

The necessary changes to the Constitution are set out in red in the attached appendix. The proposed amendment has been approved by the Covid-19 Committee and was put to the Council of Governors on 20 May 2020. Subject to receiving assurances that the Governors' Remuneration Committee would be involved in any future recruitment of an Associate NED, the Council of Governors approved the proposed amendment.'

### **Recommendation**

It is recommended that the Board approve the proposed change to the Constitution as set out in the Appendix to add a new class of Associate NED.

**Alison Marshall – Chair**

## **Appendix**

The proposed amendment is set out in red:-

7.1 The Trust is to have a Board of Directors. It is to consist of Executive and Non-Executive Directors.

7.2 The Board is to include:

(a) the following Non-Executive Directors:

- (i) a Chairman;
- (ii) seven other Non-Executive Directors;
- (iii) up to two Associate Non-Executive Directors who will have no voting rights on the Board;

(b) the following Executive Directors:

- (i) a Chief Executive;
- (ii) a Finance Director;
- (iii) four other Executive Directors, one of whom is to be a registered medical practitioner or a registered dentist (within the meaning of the Dentists Act 1984) and another of whom is to be a registered nurse or registered midwife.