

COUNCIL

Nominations Committee Terms of Reference

Meeting: 16 May 2013

Status: for decision

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Executive Summary

1. This paper seeks Councils approval of new terms of reference for the Nominations Committee (“NomCo”/“the Committee”) which were discussed by members of the Committee by teleconference on 3 May 2013.
2. Proposed terms of reference are attached at Annex 1.
3. It is recommended Council:
 - 3.1 approve the proposed terms of reference at Annex 1 which will come into force with immediate effect;
 - 3.2 agree that the Council Chair is appointed as the Nominations Committee Chair and that this is made an ex officio post¹;
 - 3.3 note that Council membership of the Committee will be considered by Council as part of paper C24(13) and role description for the independent member will be considered by Council as part of paper SC15(13);
 - 3.4 consider the recommendation of the Committee and agree whether to give delegated authority to the Committee in respect of approval of:
 - 3.4.1 processes for the appointment, reappointment, appraisal, evaluation, induction and training of Council, non-Statutory Committee (Audit and Risk, Remuneration and Nomination), Statutory Committee (Education, Standards, Registration and Companies) and Hearing Panel Members (inc legal, clinical and other advisers to the Fitness to Practise and Registration Appeals Committee);
 - 3.4.2 candidates to fill Statutory Committee and Hearing Panel Member, vacancies as and when they arise (operating as a Selection Panel);
 - 3.4.3 evaluate the balance of skills, knowledge and experience on the Statutory Committees and Hearing Panel (excluding Council

¹ the member is appointed to the Committee by virtue of their position on Council.

Members) and in the light of this evaluation agree role description and person specifications for a particular vacancy (or set of vacancies); and/or

- 3.4.4 the re-appointment of any Statutory Committee and Hearing Panel Members member (excluding Council Members) at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute in the light of the knowledge, skills and experience required;
- 3.5 if Council agree to delegate authority to the Committee on the areas in para 3.4, Council should consider and agree whether to call the Committee the 'Appointments Committee' rather than the 'Nominations Committee';
- 3.6 delegate approval to the Chair to finalise any changes required to the terms of reference arising from the decisions of Council; and
- 3.7 agree when to constitute the Committee taking into account implications on budget.

Strategic Objective

4. The development of these terms of reference for the Committee forms part of the Governance Framework project which is included in 2013/14 business plan. The specific purpose of this project is to 'review and update our Governance framework' (incorporating the outcome of the committee review and the review of internal decision-making process which is appropriately documented in a governance handbook). The project as a whole falls into the strategic aim of developing integrated systems and processes to ensure that systems and processes are efficient and cost effective. With the aim of ensuring open, transparent and robust governance. The Chief Executive and Registrar is the project sponsor and the Head of Governance is the project manager.

Background

5. The GOC is now responsible for managing the process of appointment and reappointment of Council members, including the Chair, and making recommendations to the Privy Council, in line with the requirements of our legislative framework. In September 2012 Council approved an appointments policy and process and established a Nominations Committee for the purpose of assisting with the recruitment of Council Chair, two registrant members and Council reappointments but decided that the Committee would not be a standing committee. The appointments policy and process and the Nominations Committees' current terms of reference (Annex 2) are available on the General Optical Council's (GOC) website.

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6. In February 2013 when considering its terms of reference the Remuneration Committee discussed its role in relation to developing and reviewing performance management (in terms of appraisal of individuals i.e. Council and committee members and Council and committee evaluation) and succession planning. In the past Council had indicated that it should be the role of the Remuneration Committee to consider and make recommendations to Council on a number of these processes:
 - 6.1 the overall structure of Council including the skills, knowledge and experience required and the balance of skills, knowledge and experience on Council to ensure that appointments and reappointments meet the current and future needs of the GOC;
 - 6.2 skills, knowledge and experience required in relation to any vacancies on Council;
 - 6.3 the membership of both the Remuneration and Audit and Risk Committees in conjunction with the Chairs of those committees; and
 - 6.4 role descriptions, person specifications and selection criteria required in relation to any vacancies on Council.

7. The Remuneration Committee were of the opinion that its terms of reference should not include succession planning and/or performance management for the following reasons:
 - 7.1 it would not be appropriate for the Remuneration Committee to be involved in advising on processes for the appointment, reappointment and appraisal of Council and Committee members whose fees they also review and determine; and
 - 7.2 the Professional Standards Authority (PSA) had expressed concern during the Chair recruitment that if Remuneration Committee had authority to make decisions on 7.1, 7.2 and 7.4 above then a small pool of Council members could have a high level of control over this area of the Council's responsibility, particularly if the same Council members were then selected to sit on a Nominations Committee for the purpose of appointment and reappointment decisions.

8. In March 2013 Council agreed in principle to adopt the recommendation of the Remuneration Committee that Council establish a standing Nominations Committee to fulfill these roles. At the same time it was recommended by the Remuneration Committee that Council delegate a number of advisory roles in respect of the performance management and succession planning of Council and Committee members to the Nominations Committee. These recommendations have been followed in developing these terms of reference for a standing Nominations Committee.

9. The Governance team has conducted a best practice review including the

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Combined Code on Corporate Governance (the Combined Code), the Financial Reporting Council guidance on Board Effectiveness, model terms of reference from the Institute of Secretaries and Administrators (ICSA), as well as a review of the terms of reference of fellow healthcare regulators.

10. In developing these terms of reference the Governance team have engaged with Council Members who have sat on the Nominations Committee over the last six months and their thoughts and recommendations have been incorporated into the terms of reference and this paper.
11. All Council members have to be appointed by the Privy Council in accordance with Schedule 1 to the Act.
12. As specified in its Standing Orders and Scheme of delegation Council has authority to appoint and reappoint:
 - 12.1 members to each statutory and non-statutory advisory committee (other than the Fitness to Practise Committee and the Registration Appeal Committee);
 - 12.2 members of the Hearings Panel (which form the Fitness to Practise Committee and the Registration Appeal Committee); and
 - 12.3 legal advisers, clinical advisers and other advisers for the Fitness to Practise Committee and the Registration Appeal Committee.

Analysis

Purpose

13. The Combined Code states that “There should be a formal, rigorous and transparent procedure for the appointment of new directors to the board.” It also states that, “There should be a nomination committee which should lead the process for board appointments and make recommendations to the board.”² As the GOC does not have any ‘board directors’ this has been interpreted to apply to Council and Statutory Committee Members which also includes Hearing Panel Members (inc legal, clinical and other advisers to the Fitness to Practise and Registration Appeals Committee) as Council has responsibility for appointment of all these non-executive roles. Previous guidance has permitted smaller listed companies to allow the board to act as a nomination committee. This is no longer the case and, although the Higgs Review recognised that it may take time for smaller companies to comply, it states ‘there should be no differentiation in the Code’s provision for larger and smaller companies.’³

² The Combined Code, June 2006 A.4 and A.4.1

³ Higgs Review of the Role and Effectiveness of Non-executive Directors, January 2003, para. 16.8

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14. The Combined Code recommends that companies go through a formal process of reviewing the balance and effectiveness of the board, identifying the skills needed and those individuals who might best provide them. In particular the nomination committee should assess the time commitment of the board posts and ensure that the individual has sufficient available time to undertake them. The Combined Code also requires the terms of reference of the nomination committee, explaining its role and the authority delegated to it by the board, to be made publicly available (e.g. by placing them on a website). It is, therefore, essential that the nomination committee be properly constituted with a clear remit and identified authority.
15. The purposes of other Appointments/Nominations Committee structures in fellow healthcare regulators are shown in annex 3. There are a wide range of structures but the majority have responsibility for processes covering the appointment, training and performance management of committee members. Where these committees have delegated authority to make some appointment, reappointment and performance management issues they are usually called an Appointments Committee. If Council agree to delegate authority to the Committee on the areas in para 3.4, Council should consider and agree whether to call the Committee the 'Appointments Committee' rather than the 'Nominations Committee'.
16. Members of recent Nominations Committees have reviewed these terms of reference and recommended that the Nominations Committee is established for the purpose of:
 - 16.1 keeping under review and approving processes for the appointment, reappointment, appraisal, evaluation, induction and training of Council, non-Statutory Committee (Audit and Risk, Remuneration and Nomination), Statutory Committee (Education, Standards, Registration and Companies) and Hearing Panel Members (inc legal, clinical and other advisers to the Fitness to Practise and Registration Appeals Committee);
 - 16.2 carrying out appointment and reappointment processes in line with agreed policy;
 - 16.3 identifying and nominating candidates for the approval of Privy Council to fill Council, vacancies as and when they arise (operating as a Selection Panel);
 - 16.4 identifying and approving candidates to fill Statutory Committee (excluding Council Members) and Hearing Panel member vacancies as and when they arise (acting as a Selection Panel);
 - 16.5 nominating for the approval of the Privy Council, the re-appointment of any Council Member at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute in the light of the knowledge, skills and experience required;

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- 16.6 approving the re-appointment of any Statutory Committee and Hearing panel member (excluding Council Members) at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute in the light of the knowledge, skills and experience required;
- 16.7 maintaining separation from Members of Council who may have an interest in the outcome of the Committee/Selection Panel's decisions; and
- 16.8 making recommendations to Council in relation to suitable candidates for the role of senior independent director, membership of the audit and remuneration committees, extensions and emergency appointments and the disqualification, suspension and removal from office of the Chair and Council Members.

The duties outlined in section 5 of the terms of reference describe "how" the Committee will achieve its purpose.

Membership

- 17. The recommended membership of the Committee is consistent with the direction provided by Council in March 2013 and follows the decisions made by Council in respect of the membership of its Audit and Risk and Remuneration Committees. It is recommended that the Committee will include the Council Chair (*ex-officio*⁴), two other Council Member and one independent member. Council Members shall not be a member of the Committee for the purposes of considering their own appointment or reappointment. It is important that the Selection Panels with responsibility for appointing and recommending candidates for appointment are sufficiently independent of Council.
- 18. The ability of the Committee to select other Council, Committee or external members to sit on selection panels is consistent with the PSA guidelines and will enable flexibility in relation to recruitment. Ensuring that no Council member is involved in considering their own appointment or reappointment is consistent with the PSA guidelines and will enable fairness of process. It is anticipated that Committee Chairs will be included on Selection panels to appoint Committee Members.
- 19. The PSA good practice guidance requires that a "credible independent perspective" be part of our selection processes to ensure scrutiny of processes and help provide assurance to PSA/Privy Council that the processes meets the four recruitment principles – merit, fairness, transparency, openness and credibility. At a Council meeting on 20 August 2012 Council requested that the GOC Chair seek a suitable person to undertake the role of Independent Assessor. On the recommendation of the Chair an independent assessor,

⁴ the member is appointed to the Committee by virtue of their position on Council.

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Penny Bennett, was appointed. Penny has performed this role since September 2012 and as a result has acted as the independent member on the Nominations Committee three times. Council is considering the role description for this role in paper C24(13).

20. The memberships of other Appointments/Nominations Committee structures in fellow healthcare regulators are shown in annex 3. There are a wide range of memberships but the majority have at least one independent member.

Chair

21. At its meeting in March 2013, Council indicated that the Nominations Committee should be chaired by the Chair of Council due to the important role of the Council Chair in relation to the appointment and reappointment of Council and Statutory Committee and Council, Statutory Committee and Hearing Panel Members (inc legal, clinical and other advisers to the Fitness to Practise and Registration Appeals Committee). Therefore it is recommended that the Council Chair is Chair of the Committee and that this is made an ex-officio⁵ post.

Rotation policy

22. A rotation policy is outlined in paragraph 2.5 of the terms of reference. A robust rotation policy is important so that the committee can refresh and introduce new perspectives. It also allows a greater number of Council Members to gain an in-depth and first-hand understanding of the functioning of the Committee which in turn will help contribute to Council's overall cohesion and provide an understanding of how various functions of the GOC operates.
23. Best practice suggests that appointments to the committee should be for a period of up to three years, extendable by no more than one additional three year period, as long as the Member still meets the criteria for membership of the committee. Whilst it is recognised that Council Members terms of office are eight years in total, the staggering of appointment dates will enable the committee to fulfill this rotation policy without placing difficulties on the membership of the Committee.

Quorum

24. The recommended quorum for Committee meetings is 50% of the Committee's total membership and therefore two members. It is recognised that a decision to have a quoracy of an even number may cause difficulties when it comes to voting if there is a tied decision. It is therefore recommended that the Chair of the Committee has the casting vote and where appropriate decisions which are

⁵ the member is appointed to the Committee by virtue of their position on Council.

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tied and are subsequently brought to Council (i.e. where the Committee is required to recommend something for approval by Council) the situation will be reported to Council. This is consistent to the process agreed for the Audit and Risk and Remuneration Committees.

Frequency and Notice of Meetings

25. The frequency and notice of meetings is set out in section three of the terms of reference. The committee currently meets as required. There are no meetings currently planned for 2013. As a minimum the Committee must meet annually to consider the reappointment of Committee members and review the statement in the annual report concerning its activities. However the Committee will need to meet shortly to consider and approve appointment, reappointment, appraisal and evaluation processes for Council and Committees. Meeting start times will be scheduled to avoid the need for travelling during peak time and/or overnight accommodation.

Minutes of Meetings

26. The procedures for minutes of meetings are set out in section four of the terms of reference. Minutes of Committee meetings will be taken by a member of the Governance Team. The minutes (in draft format) will be presented to the next strictly confidential or public meeting of Council along (as appropriate) with a summarised report prepared by the Committee Chair highlighting any issues that need to be brought to Council's attention and any recommendations for Council consideration and approval. Due to the nature of discussions at Committee meetings it would not be appropriate to report back publically on the outcome of meetings.

Accountability and Reporting Responsibilities

27. Accountability and reporting responsibilities are set out in Section six of the terms of reference. The Committee will remain accountable to Council and will routinely report back to Council on the outcome of its meetings at the next available strictly confidential or public Council meeting as appropriate.
28. The Combined Code recommends that a statement is made in the annual report about the Committee's membership, role and remit for the preceding year. It is the intention of the Governance Team to ensure that these requirements are fully met for 2013 onwards.

Other

29. The UK Corporate Governance Code and FRC Guidance on Board Effectiveness recommend that the Committee should review its terms of reference and own effectiveness annually and recommend any changes to Council. In addition Council should review the Committee's effectiveness

annually when considering its own and that of individual Members. It is the intention of the Governance team to schedule an annual review by the Committee of its terms of reference and effectiveness when appropriate to do so following agreement of new terms of reference and membership.

Authority

30. Members of the recent Nominations Committee have considered these terms of reference and agreed to recommend to Council that delegated authority should be given to the Committee to make decisions on behalf of Council, as follows:

30.1 processes for the appointment, reappointment, appraisal, evaluation, induction and training of Council, non-Statutory Committee (Audit and Risk, Remuneration and Nomination), Statutory Committee (Education, Standards, Registration and Companies) and Hearing Panel Members (inc legal, clinical and other advisers to the Fitness to Practise and Registration Appeals Committee);

30.2 candidates to fill Statutory Committee and Hearing Panel Member, vacancies as and when they arise (operating as a Selection Panel);

30.3 evaluate the balance of skills, knowledge and experience on the Statutory Committees and Hearing Panel (excluding Council Members) and in the light of this evaluation agree role description and person specifications for a particular vacancy (or set of vacancies); and/or

30.4 the re-appointment of any Statutory Committee and Hearing Panel Members member (excluding Council Members) at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute in the light of the knowledge, skills and experience required.

In making this recommendation it was noted that this area of work required more oversight than in the past and that it would take up considerable time at Council meetings to consider the issues. It is also noted that members of Selection Panels are best placed to make or recommend appointments.

31. The recommended decision would have the following implications on:

31.1 **GOC's reserves** – no known implications;

31.2 **GOC budget** – there will be a cost implication in appointing an independent member as they will need to be paid fees and expenses (see paper SC15). The current budget for Committee fees and expenses has been set in accordance with an anticipated level of committee meetings and membership. There will be increased expenditure in relation to travel expenses for meetings, as it was not anticipated that the Committee would need to meet in 2013/14 when setting the budget. However there have been some Committee members resign which have been replaced by Council members and there are smaller memberships for Audit and Risk and Remuneration

Committees, which should allow some flexibility in the fees and expenses budget. Therefore fees and expenses for these meetings can be included within this budget, however if the anticipated level of other meetings (and attendance of members) is required during the year there may be implications on the ability to hold committee meetings towards the end of the year, other than via teleconference;

- 31.3 **Legislation** – none. The terms of reference for the Committee now comply with best practice wherever possible;
 - 31.4 **Resources** – there are implications for the amount of time spent by Council members and the Executive, if the frequency of meetings is increased. As this has not previously been a standing committee it will result in an increase in the workload of the Executive;
 - 31.5 **Equality and Diversity** – The Nominations Committee draft terms of reference imply a pivotal role for it in the recruitment and appointment of the Council and Committee Members, including the appointment of the Selection Panel. It is crucial, therefore, that in constituting the selection panels due regard is given to all relevant equality and diversity considerations; and
 - 31.6 **Human Rights Act** – no known implications.
32. It is recommended that Council consider the impact on budget of the constitution of this committee as a standing committee and decide when to establish the committee. The Executive recommends that in order to maintain affordability the establishment of the committee as a standing committee should be deferred until the start of the next financial year and included in the 2014/15 budget. The Nominations Committee has recommended that the establishment of the Committee is a strategic priority and that Council should constitute it in the current financial year bearing in mind implications for the 2013/14 budget.

Devolved Nations

33. There are no implications in relation to this paper and the devolved nations. This paper does not need to be published in Welsh.

Communications

34. Once agreed, the revised terms of reference will be published on the GOC's website and communicated to Statutory Committee Members.

Risks

35. It is preferable that the GOC complies with best practice wherever possible to ensure that it is compliant with current Codes and Guidance as well as ensuring that its Committees can operate with maximum effectiveness.

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36. To disregard of highly reputable guidance would be damaging to the GOC's reputation and call into question the effectiveness of the GOC's governance and Committee structure.

Recommendations

37. It is recommended Council:
- 37.1 approve the proposed terms of reference at Annex 1 which will come into force with immediate effect;
 - 37.2 agree that the Council Chair is appointed as the Nominations Committee Chair and that this is made an ex officio post⁶;
 - 37.3 note that Council membership of the Committee will be considered by Council as part of paper C24(13) and role description for the independent member will be considered by Council as part of paper SC15(13);
 - 37.4 consider the recommendation of the Committee and agree whether to give delegated authority to the Committee in respect of approval of:
 - 37.4.1 processes for the appointment, reappointment, appraisal, evaluation, induction and training of Council, non-Statutory Committee (Audit and Risk, Remuneration and Nomination), Statutory Committee (Education, Standards, Registration and Companies) and Hearing Panel Members (inc legal, clinical and other advisers to the Fitness to Practise and Registration Appeals Committee);
 - 37.4.2 candidates to fill Statutory Committee and Hearing Panel Member, vacancies as and when they arise (operating as a Selection Panel);
 - 37.4.3 evaluate the balance of skills, knowledge and experience on the Statutory Committees and Hearing Panel (excluding Council Members) and in the light of this evaluation agree role description and person specifications for a particular vacancy (or set of vacancies); and/or
 - 37.4.4 the re-appointment of any Statutory Committee and Hearing Panel Members member (excluding Council Members) at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute in the light of the knowledge, skills and experience required;
 - 37.5 if Council agree to delegate authority to the Committee on the areas in para 38.4, Council should consider and agree whether to call the Committee the 'Appointments Committee' rather than the 'Nominations Committee';
 - 37.6 delegate approval to the Chair to finalise any changes required to the

⁶ the member is appointed to the Committee by virtue of their position on Council.

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terms of reference arising from the decisions of Council; and
37.7 agree when to constitute the Committee taking into account implications on budget.

Timeline for future work

38. Once the terms of reference have been approved by Council, a workplan will be devised and presented to the committee in time for its next meeting.

Attachments

Annex 1 – Revised Nomination Committee terms of reference

Annex 2 – Current Nomination Committee terms of reference

Annex 3 - Appointments/Nominations Committee Structures in fellow healthcare regulators

NOMINATIONS COMMITTEE - TERMS OF REFERENCE

1. Purpose

- 1.1. The purpose of the Nominations Committee (“NomCo”/“Committee”) is to:
 - 1.1.1 keep under review and approve processes for the appointment, reappointment, appraisal, evaluation, induction and training of Council, non-Statutory Committee (Audit and Risk, Remuneration and Nomination), Statutory Committee (Education, Standards, Registration and Companies) and Hearing Panel Members (inc legal, clinical and other advisers to the Fitness to Practise and Registration Appeals Committee);
 - 1.1.2 carry out appointment and reappointment processes in line with agreed policy;
 - 1.1.3 identify and nominate candidates for the approval of Privy Council to fill Council vacancies as and when they arise (operating as a Selection Panel);
 - 1.1.4 identify and approve candidates to fill Statutory Committee (excluding Council Members) and Hearing Panel member vacancies as and when they arise (operating as a Selection Panel);
 - 1.1.5 nominate for the approval of the Privy Council the re-appointment of any Council Member at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute in the light of the knowledge, skills and experience required;
 - 1.1.6 approve the re-appointment of any Statutory Committee and Hearing panel member (excluding Council Members) at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute in the light of the knowledge, skills and experience required;
 - 1.1.7 maintain separation from Members of Council who may have an interest in the outcome of the Committee/Selection Panel’s decisions; and
 - 1.1.8 make recommendations to Council in relation to suitable candidates for the role of senior independent director, membership of the audit and remuneration committees, extensions and emergency appointments and the disqualification, suspension and removal from office of the Chair and Council Members.

2. Membership, Chair, Secretary and Quorum

- 2.1. The Committee shall comprise of up to four Members, but may operate with fewer while a vacancy exists provided the quorum is maintained.

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- 2.2. The Committee will include the Council Chair (ex-officio), two other Council Member and one independent member.
- 2.3. The Council Chair will Chair the Committee. The Chair of Council shall not chair the Committee when it is dealing with the with the matter of succession to the chairmanship.
- 2.4. Council Members shall not be a member of the Committee for the purposes of considering their own appointment or reappointment.
- 2.5. The Members of the Committee will be appointed by Council for a period of up to three years, extendable by one additional period of three years. Appointments will be made by Council, after recommendation by the Chair, and expiration dates will be staggered to ensure continuity.
- 2.6. Only Members of the Committee have the right to attend and participate at Committee meetings. However, other individuals such as the Chief Executive, Human Resources Team members or other advisers considered appropriate by the Chair may be invited to attend for all or part of any meeting.
- 2.7. In the absence of the Committee Chair, the remaining members present shall elect one of their number to chair the meeting.
- 2.8. A member of the Governance Team shall act as the secretary of the Committee.
- 2.9. The quorum necessary for the transaction of business shall be two members. Member's attendance via telephone or video-link is permissible for the purposes of determining a quorum.
- 2.10. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in as outlined in Section 1 of these terms of reference, or exercisable, by the Committee.
- 2.11. Where the Chair of the Committee considers it appropriate, decisions may be taken by email. An audit trail of decisions taken by email will be maintained by the Governance Team.
- 2.12. In the instance of a tied vote and where the Committee has the authority to make a final decision, the Chair will have the casting vote. In the instance of a tied vote where a recommendation is being made to Council, the outcome of the vote will be reported to Council.

3. Frequency and Notice of Meetings

- 3.1 The Committee shall meet as required to fulfil its duties, with a minimum of one meeting a year.
- 3.2 Meetings of the Committee, other than those regularly scheduled as above, shall be summoned by the secretary of the Committee at the request of the Committee Chair.
- 3.3 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed and supporting papers, shall be forwarded to each member of the Committee and any other person required to attend, no later than five working days before the date of the meeting.

4. Minutes of Meetings

- 4.1. The secretary shall minute the discussion, decisions and actions of all meetings of the Committee, including recording the names of those present and in attendance.
- 4.2. Minutes of Committee meetings shall be circulated promptly to all members of the Committee once agreed by the Committee Chair.

5. Duties

- 5.1. The Committee shall:
 - 5.1.1 regularly review the composition (including the skills, knowledge and experience) required of the Council and make recommendations to Council with regard to any changes;
 - 5.1.2 regularly review the composition (including the skills, knowledge and experience) required of Statutory Committee and Hearing Panel Members (inc legal, clinical and other advisers to the Fitness to Practise and Registration Appeals Committee) and agree any changes;
 - 5.1.3 operating as a selection panel give full consideration to succession planning for Council, Statutory Committee and Hearing Panel Members, taking into account the challenges and opportunities facing the GOC, and what skills and expertise are therefore needed in the future;
 - 5.1.4 be responsible for identifying and nominating for the approval of Privy Council, candidates to fill Council vacancies as and when they arise;
 - 5.1.5 be responsible for nominating for the approval of Privy Council, the re-appointment of any Council member at the conclusion of their specified

- term of office having given due regard to their performance and ability to continue to contribute to the Council in the light of the knowledge, skills and experience required;
- 5.1.6 operating as a Selection Panel be responsible for identifying and appointing candidates to fill Statutory Committee and Hearing Panel vacancies (excluding Council Members) as and when they arise;
 - 5.1.7 be responsible for approving the re-appointment of any Statutory Committee and Hearing Panel member (excluding Council Members) at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute in the light of the knowledge, skills and experience required;
 - 5.1.8 evaluate the balance of skills, knowledge and experience on the Council and, in the light of this evaluation, recommend to Council a role description and person specification required for a particular vacancy (or set of vacancies);
 - 5.1.9 evaluate the balance of skills, knowledge and experience on the Statutory Committees and Hearing Panel and, in the light of this evaluation, approve a role description and person specification required for a particular vacancy (or set of vacancies);
 - 5.1.10 review annually the time required from Council, Statutory Committees and Hearing Panel members. Performance evaluation should be used to assess whether members are spending enough time to fulfil their duties;
 - 5.1.11 agree who will sit on the Selection Panel for a particular vacancy (or set of vacancies) following an assessment of the needs inherent in any vacancy/vacancies. It is anticipated that Nominations Committee Members will make up at least half of any selection panel with other members being Council members, Committee chairs/members or external experts. In addition if the Committee is considering the appointment of a Chair it will include a Chair of another Regulatory Body on the selection panel;
 - 5.1.12 ensure that on appointment members receive a formal appointment letter which clearly outlines the period of appointment, rate of remuneration payable, arrangements to meet the GOC or Committee Chair (as relevant), any terms and conditions of appointment and refer to any additional information, such as Code of Conduct and management of interests policy;
 - 5.1.13 consider and approve processes for the appointment, reappointment, appraisal, evaluation, induction and training of Council, non-Statutory Committee (Audit and Risk Remuneration and Nominations) Statutory Committee (Education, Standards, Registration and Companies) and Hearing Panel Members (inc legal, clinical and other advisers to the Fitness to Practise and Registration Appeals Committee);

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- 5.1.14 advise Council on the implications (if any) of how the Committee's work contributes to Council's ability to fulfill its duties under the Equality Act 2010 and the Public Sector Equality Duty and other relevant legislation and guidelines and consider any particular action required by the GOC in relation to a vacancy or set of vacancies; and
 - 5.1.15 keep up to date and fully informed about strategic issues and commercial changes affecting the GOC and the healthcare profession which may affect the composition requirements for Council and its Committees.
- 5.2 The Committee shall make recommendations to Council concerning:
- 5.2.1 suitable candidates for the role of senior council member;
 - 5.2.2 membership of the audit and remuneration committees, in consultation with the chairmen of those committees;
 - 5.2.3 extensions and emergency appointments relating to Council Members; and
 - 5.2.4 matters relating to the continuation in office of any Council Member at any time including the disqualification, suspension or removal.
- 5.3 In identifying suitable candidates the Committee (operating as a Selection Panel) shall follow the agreed selection process as described in the GOC Appointment Policy and Process. In particular it shall:
- 5.3.1 review and approve for publication application and monitoring forms and other application processes;
 - 5.3.2 review and approve for publication information packs which include a role description and person specification required for a particular vacancy (or set of vacancies);
 - 5.3.3 finalise arrangements for the identification of suitable candidates and what methods should be used to ensure a diverse field of candidates apply;
 - 5.3.4 review and approve advertisements and agree the period for which the vacancies will be advertised;
 - 5.3.5 use open advertising or review and decide whether to use the services of external advisers to facilitate the search. If using external advisers: assess potential providers and make a decision on which external adviser to appoint;
 - 5.3.6 finalise the selection process and timeline for selection;
 - 5.3.7 agree and conduct the sifting process and conduct shortlisting;
 - 5.3.8 consider candidates from a wide range of backgrounds;
 - 5.3.9 undertake interviews considering candidates on merit and against objective criteria, taking care that candidates have enough time available to devote to the position;
 - 5.3.10 if required produce a short list and a list of reserve candidates; and
 - 5.3.11 ensure that any necessary due diligence checks are undertaken.

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- 5.4 In respect of the appointment and reappointment of Council Members (including the Chair) the Committee (operating as a Selection Panel) shall:
- 5.4.1 agree an 'Advance Notice to Appoint/Reappoint' of the GOC's intention to undertake a selection process, which includes information about the planned process to be sent to the Professional Standards Authority (PSA); and
 - 5.4.2 submit a report (signed by the Panel Chair) to the PSA to allow them to assess the evidence and advise the Privy Council.

6. Accountability & Reporting Responsibilities

- 6.1. The Committee is accountable to Council.
- 6.2. The draft minutes of the Committee meeting will be circulated to the next Strictly Confidential or Public Council meeting (as appropriate), along with a report from the Committee Chair highlighting any issues for Council's discussion/consideration.
- 6.3. The Committee will approve a statement in the annual report about its membership, role and remit for the preceding year.

7. Other

- 7.1. The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to Council for approval.

8. Authority

- 8.1. The Committee has authority delegated from Council to review and approve:
 - 8.1.1 processes for the appointment, reappointment, appraisal, evaluation, induction and training of Council, non-Statutory Committee (Audit and Risk, Remuneration and Nomination), Statutory Committee (Education, Standards, Registration and Companies) and Hearing Panel Members (inc legal, clinical and other advisers to the Fitness to Practise and Registration Appeals Committee);
 - 8.1.2 candidates to fill Statutory Committee and Hearing Panel Member, vacancies as and when they arise (operating as a Selection Panel);
 - 8.1.3 evaluate the balance of skills, knowledge and experience on the Statutory Committees and Hearing Panel (excluding Council Members) and in the light of this evaluation agree role description and person specifications for a particular vacancy (or set of vacancies); and/or
 - 8.1.4 the re-appointment of any Statutory Committee and Hearing Panel

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Members member (excluding Council Members) at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute in the light of the knowledge, skills and experience required.

8.2. The Committee is authorised by Council to investigate any activity within its terms of reference; and

8.3. The Committee is authorised to obtain, at the GOC's expense, outside legal or other professional advice on any matters within its terms of reference.

Prepared by the GOC Governance Team

Approved by Council on 16 May 2013

To be reviewed May 2014 by the Nominations Committee

Annex 2. Current Nominations Committee Terms of Reference

1. Purpose

1.1 The purpose of the Committee is to:

- implement the decisions of Council with regard to Chair and Council Member recruitment and finalise documentation for publication;
- provide particular knowledge or expertise in relation to recruitment of candidates sought for a vacancy (or set of vacancies), for example equality and diversity, devolved administrations, specialist knowledge or expertise;
- maintain separation from Members of Council who may have an interest in the outcome of the Committee/Selection Panel's decisions;
- act as a Selection Panel and nominate candidates for appointment to fill Council vacancies as and when they arise;
- ensure the selection process meets the GOC's duties under the Equality Act to promote equality and avoid discrimination against applicants because of protected characteristics;
- nominate for reappointment Council Members having given due regard to their performance and ability to continue to contribute;
- make recommendations in relation to extensions and emergency appointments; and
- make recommendations in relation to the disqualification, suspension and removal from office of the Chair and Council Members.

2. Membership, Chair, Secretary and Quorum

2.1 The Committee shall be constituted for particular purposes by Council. For each purpose, it will comprise of at least three Members. All appointments to the Committee shall be made by Council and include:

- Council Chair and/or Senior Council Member;
- a non-lay Council Member; and
- a person of independence and distinction with no connection to the GOC who can bring an impartial perspective "Independent Assessor".

Council Members likely to be subject to consideration by the Committee (or Selection Panel) shall not be appointed to the Committee constituted for that purpose.

2.2 Each time the Committee is constituted for a particular purpose Council will determine the appropriate membership to assess the needs inherent in any vacancy/vacancies, for instance if the candidate sought is required to have a particular skill or expertise, a Council Member with relevant knowledge/experience would be helpful. In addition if the Committee is considering the

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appointment of a Chair it will expand to include a Chair of another Regulatory Body.

- 2.3 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive, Human Resources Team members and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.
- 2.4 Appointments to the Committee shall be set by Council in relation to the particular purpose for which the Committee has been constituted.
- 2.5 The Council shall appoint the Committee Chair who should be either the Chair of Council, Senior Council Member or another Council Member. In the absence of the Committee Chair and/or Senior Council Member, the remaining members present shall elect one of their number to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Council. The Chair of Council shall not chair the Committee when it is dealing with the appointment of a new Chair.
- 2.6 The Governance Manager or their deputy/nominee shall act as the secretary of the Committee.
- 2.7 The quorum necessary for the transaction of business shall be three members of whom at least two must be Council Members.
- 2.8 A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in, or exercisable, by the Committee.

3. Frequency and Notice of Meetings

- 3.1 The Committee shall meet as required by Council.
- 3.2 Meetings of the Committee shall be convened by the secretary of the Committee at the request of Council.
- 3.3 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed and supporting papers, shall be forwarded to each member of the Committee and any other person required to attend, no later than five working days before the date of the meeting.

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4. Minutes of Meetings

- 4.1 The secretary shall minute the discussion, decisions and actions of all meetings of the Committee, including recording the names of those present and in attendance.
- 4.2 Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, to Council Members, unless a conflict of interest exists.

5. Duties

- 5.1 Based on the decisions and guidance of Council the Committee will:
- finalise and approve for publication an information pack which includes a role description and person specification required for a particular vacancy (or set of vacancies);
 - review and approve for publication application and monitoring forms and other application processes;
 - finalise arrangements for the identification of suitable candidates and what methods should be used to ensure a diverse field of candidates apply;
 - review and approve advertisements and agree the period for which the vacancies will be advertised;
 - if Council agree to use the services of external advisers to facilitate the search, assess potential providers and make a decision on which external adviser to appoint;
 - finalise the selection process and timeline for selection (see annex 1);
 - agree who will sit on the Selection Panel (from the Nominations Committee membership);
 - agree who will undertake the sifting and shortlisting;
 - note the particular responsibilities for the Nominations Committee and Selection Panel arising from the Equality Act 2010 and the Public Sector Equality Duty and consider any particular action required by the GOC in relation to the vacancy or set of vacancies; and
 - agree an 'Advance Notice to Appoint' of the GOC's intention to undertake a selection process, which includes information about the planned process to be sent to the Professional Standards Authority (PSA).
- 5.2 Acting as a Selection Panel be responsible for identifying and nominating for the approval of Privy Council, candidates to fill Council vacancies as and when they arise.

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5.3 Before making a recommendation to Privy Council, acting as a Selection Panel shall:

- agree and conduct (or oversee if not directly involved) the sifting process and conduct shortlisting;
- if required produce a short list and a list of reserve candidates;
- undertake interviews considering candidates on merit and against objective criteria, taking care that candidates have enough time available to devote to the position;
- ensure that any necessary due diligence checks are undertaken;
- forward its report (signed by the Panel Chair) and the Independent Assessor report to the PSA to allow them to assess the evidence and advise the Privy Council; and
- ensure that on appointment to Council, Council Members receive a formal appointment letter which will clearly outline the period of appointment, rate of remuneration payable, arrangements to meet the GOC Chair (if relevant), any terms and conditions of appointment and refer to any additional information, such as Code of Conduct and Conflicts of Interest policy.

5.4 The Committee shall also make recommendations to Council concerning:

- the reappointment of any Council Member prior to the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Council in the light of the knowledge, skills and experience required and length of service;
- extensions and emergency appointments; and
- matters relating to the continuation in office of any Council Member at any time including the disqualification, suspension or removal.

6. Reporting Responsibilities

6.1 The Committee Chair shall report formally to Council on its proceedings after each meeting on all matters within its duties and responsibilities.

6.2 The Committee shall make whatever recommendations to Council it deems appropriate on any area within its remit where action or improvement is needed.

7. Authority

7.1. The Committee is authorised to seek any information it requires from any employee of the GOC in order to perform its duties.

7.2. The Committee is authorised to obtain, at the GOC's expense, outside legal or other professional advice on any matters within its terms of reference.

**Annex 3 – Appointments/Nominations Committee Structures in fellow
healthcare regulators**

Regulator name	Appointments/Nominations Committee
General Dental Council (GDC)	Appointments Committee to oversee the training and performance of the 76 members of the independent Fitness to Practise Panel. Work includes appointing, training, performance reviewing and mentoring all Panel members. A Chair and six members - 3 lay and 3 registrants (not Council Members). Appointed for 5 years with a minimum of 5 to 10 days per year (approx 30 days per year when recruiting Panel members) £353 for each day or part of day
General Medical Council (GMC)	Not known to date
Health Care Professions Council (HCPC)	Not know to date
General Pharmaceutical Council (GPhC)	Appointments Committee responsible for the selection and recruitment of statutory committee members. It oversees arrangements for statutory committee members' training and performance reviews. 5 Members (not Council Members)
General Osteopathic Council (GoSC)	Remuneration and Appointments Committee oversees all issues of appointments and remuneration policy in relation to the non-executives and staff. Chair of Council, one lay member and two osteopath members of Council, and one external lay member with appropriate expertise.
Nursing & Midwifery Council (NMC)	Appointments Board responsible for ensuring that the processes for the appointment, training and performance management of partner members are independent, transparent and follow best practice. Members include non-Council members of committees, Fitness to Practise panel members and Local Supervisory Authority reviewers