

6 November 2014

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Dear

### **Appointment of Non-Executive Director**

I am pleased to inform you that the Council of Governors approved your appointment as a Non-Executive Director to the Board of Directors of the Royal United Hospitals Bath NHS Foundation Trust.

Your appointment is effective from 1 November 2014 and shall continue until XXXX

This appointment does not create any contract of employment or contract for services between yourself and the Trust and is not within the jurisdiction of the employment tribunals.

This appointment is governed by the terms of the Constitution and the Trust's Standing Orders for the Board of Directors. Copies of the Constitution and the Standing Orders are available upon request from the Trust Board Secretary.

### **Reappointments**

Non-Executive Directors are eligible for re-appointment at the end of their period of office in accordance with the Constitution and Monitor's Code of Governance, but they have no absolute right to be reappointed.

In reaching a decision, in addition to having regard to the appraised performance of the individual, the Council of Governors will wish to consider the performance of the organisation, the make-up of the Board of Directors in terms of skills, diversity and geographical representation, as well as the current Board of Directors' dynamics and the effectiveness of its team working.

Reappointments are subject to a further maximum term of 3 years.

### **Termination of Appointment**

The Constitution sets out the circumstances in which a Director will be disqualified from office. Should any of those circumstances become applicable to you, your appointment will be terminated.

If during your period of directorship you are appointed Chairman of the NHS Foundation Trust, your tenure of office as a Non-Executive Director will terminate when your appointment as Trust Chairman takes effect.

If the Council of Governors is of the opinion that it is no longer in the interests of the National Health Service that you continue to hold office then, subject to the provisions of the Constitution, your appointment may be terminated.

The following list provides examples of matters, which may indicate to the Board that it is no longer in the interests of the National Health Service that a Non-Executive Director continues in office. The list is not intended to be exhaustive or definitive; the Council of Governors will consider each case on its merits, taking account of all relevant factors:

- If you fail to meet the requirements of the Fit and Proper Persons Test;
- If an annual appraisal or sequence of appraisals is unsatisfactory;
- If the Non-Executive Director no longer enjoys the confidence of the Council of Governors;
- If the Non-Executive Director loses the confidence of the public or local community in a substantial way;
- If the Non-Executive Director fails to deliver work against pre-agreed targets incorporated within their annual objectives;
- If there is a terminal breakdown in essential relationships, for example between a chair and a chief executive or between a Non-Executive Director and the rest of the Board of Directors.

Your appointment may also be terminated if:

- You do not attend a meeting of the Trust for a period of three months unless the Council of Governors is satisfied:
  - That your absence was due to a reasonable cause; and
  - That you will be able to attend meetings of the Board of Directors within such time as Governors consider reasonable.
- You do not properly comply with the requirements of the Standing Orders with regard to pecuniary interests in matters under discussion at meetings of the Trust (for example, a failure to disclose such an interest).
- You cease to be regarded as independent within the meaning of Monitor's Code of Governance.

## **Time Commitment**

You are expected to devote whatever time as is reasonably necessary to undertake Trust business and is appropriate to the role of a Non-Executive Director.

This will include attendance at the following:

- Meetings of the Board of Directors including Board Away Days and Seminars;
- Meetings of committees of the Board;
- Any other meetings or requirements as determined by the Trust Chairman.

The location and time of all meetings will be notified to you by the Trust and reasonable notice will be given of any variations to pre-planned dates, times or locations.

You will also be expected to devote appropriate preparation time ahead of each meeting.

## **Role**

Your role and responsibilities as a Non-Executive Director are set out in the Constitution.

Non-Executive Directors have the same general legal responsibilities to the Trust as any other director.

In addition to your role on the Board of Directors, you will be asked to serve on some or all of the Board committees. The Trust Chairman will discuss this matter with you.

The Board of Directors is collectively responsible for promoting the success of the Trust and supervising the Trust's affairs.

## **Remuneration**

For the period that you hold office as a Non-Executive Director you will be entitled to remuneration at the following applicable rate:

XXX per annum

The Council of Governors Nominations and Remuneration Committee will review the level of remuneration annually.

The Trust will also reimburse you for all reasonable and properly documented expenses that you may incur in performing the duties of your office.

There is no entitlement to compensation for loss of office and you will not be entitled to any pension, bonus or other benefits apart from those specifically addressed in this letter.

Your fees and remuneration will be subject to applicable UK statutory deductions. This will include deductions for income tax, national insurance and similar liabilities for which the Trust is liable to account.

### **Outside Interests**

It is accepted and acknowledged that you have business interests other than those of the Trust and have declared any conflicts that are apparent at present.

If you have a pecuniary, personal or family interest, whether that interest is actual or potential and whether that interest is direct or indirect, in any proposed contract or other matter which is under consideration or is to be considered by the Trust Board, you shall disclose that interest to the Board as soon as you become aware of it.

Details for arrangements for the disclosure of interests are set out in the Constitution.

### **Development**

Your personal development in the role will be agreed in your appraisal meetings with the Trust Chairman. Additionally, you have access to independent professional advice and training courses (and/or materials that are consistent with your individual and collective development program) at the Trust's expense where it is judged necessary to discharge your responsibilities.

### **Indemnity**

The Trust will indemnify you against personal liability which you may incur whilst carrying out your duties, provided that at the time of incurring the liability, you were acting honestly and in good faith.

### **Criminal Matters**

You are required to declare immediately to the Trust Board Secretary if you are ever arrested, any pending prosecutions or convictions (including driving offences) and any cautions. Failure to disclose the fact of an arrest, a caution, pending prosecution or conviction may result in termination of your appointment upon these terms and conditions by the Council of Governors.

### **Confidentiality**

Save as may be required by law, without the prior written clearance of the Trust Chairman you shall at no time (whether during or after the period of your office) disclose, permit to be disclosed, make use of or permit the use of confidential information acquired during your appointment (which shall include unpublished information relating to the Trust, its business plans, finances etc).

Your attention is drawn to the requirements of the Data Protection Act 1998.

### **Public Speaking**

You should not make political speeches or engage in other political activities associated with or in relation to matters affecting the work or operation of the Trust.

In cases of doubt, the guidance of the Trust Board Secretary should be sought.

### **No Smoking Policy**

The Trust operates a No Smoking Policy, under which smoking is only permitted in designated areas away from the work area.

### **Equal Opportunities**

The Trust is committed to providing equal opportunities regardless of sex, marital status, colour, race, age, religion, sexual orientation, nationality or national origins.

A copy of the Trust's Equal Opportunities Policy may be obtained from the Human Resources Department. You should be familiar with, and at all times comply, with the terms of this policy.

### **Health and Safety at Work Act**

You are reminded that, in accordance with the Health and Safety at Work Act 1974, you have a duty to take reasonable care to avoid injury to yourself and to others.

### **Loss of Personal Effects**

The Trust will not accept liability for loss or damage to personal property on Trust premises by burglary, fire, theft or otherwise. You should make arrangements to provide your own insurance cover.

### **Removal of Trust Property**

You must not remove any material or goods which belong to the Trust from Trust premises unless it is in the normal course of your office and the necessary authorisation has been obtained from the Trust Board Secretary.

### **Review Process**

The performance of every member of the Board and its committees will be evaluated annually. If in the interim, there are matters which cause you concern about your role you should discuss them with the Trust Chairman as soon as is appropriate.

## **Insurance**

The Trust has insurance to cover the liabilities of directors and officers and it is intended to maintain such cover for the full term of your office.

You should be aware that such insurance does not provide you with any protection against financial or criminal liability arising from the breach of any applicable laws and for which you are held wholly or partially responsible.

I would be grateful if you would please sign, date and return the enclosed copy of this letter as soon as possible to confirm your acceptance of these terms and conditions of appointment.

Yours sincerely

**Brian Stables**  
**Trust Chairman**

**ACCEPTANCE STATEMENT**

I have read and accept this contract for services in respect of the office of Non-Executive Director outlined in this document and have retained a copy.

Signature .....

Date .....

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