

## Non- executive director - Appraisal good practice guide

### 1. Overview

- 1.1 The appraisal process is important to ensure that non-executive directors (NEDs) feel motivated, well supported and confident to deal with the many issues and challenges they will face in their role. An effective appraisal will enable NEDs to evaluate their performance, receive constructive feedback and then to build upon their strengths and address any areas for development.
- 1.2 This guidance provides some key principles and tips for effective NED appraisals.

### 2. General principles

- 2.1 Set out below are a number of principles and tips for you to consider when arranging your NED appraisal.
- New appointees should be informed that they will be formally appraised by the Trust chair on at least an annual basis and of the standards against which they will be assessed
  - Appraisals should look forward, not just back, and take account of the future needs of the organisation, any learning and development identified and the aspirations of the individual
  - Any performance issues should be identified and discussed robustly but constructively. There should be clarity about the support NEDs will receive to help them improve
  - All documentation relating to the appraisal should be completed during, or shortly after, the appraisal and signed by both parties
  - Where there is no agreement, the Chair's assessment should stand with the NED's disagreement noted
  - Any fundamental differences may, however need to be escalated to NHS Improvement
  - Documentation should be simple, purposeful and easy to use

### 3. Designing an appraisal system

- 3.1 As a minimum, the appraisal should include:
- a review of performance since last appraisal
  - setting new objectives
  - identification of any learning and development needs
  - identification of any issues that may affect the NEDs suitability for appointment, including whether they continue to comply with the Fit & Proper Person Regulations.
- 3.2 The process may also be used to identify individuals with the potential to progress to chair roles. This should be recorded in the appraisal documentation along with any development needs.
- 3.3 Whatever method of assessment is used:
- ensure that the criteria used do not directly or indirectly discriminate against any individual or group of individuals, for example, in relation to time availability
  - consider what 'evidence' might be available to both appraiser and appraisee to support the assessment
  - consider contributions from other individuals to the overall appraisal. This could include self-assessment, board colleagues or as part of a 360° process. NHS Improvement is able to provide support to boards wishing to undertake 360° assessments against the behaviours in the NHS Leadership Academy's Healthcare Leadership Model.