



**Appointments  
Commission**



**Annual Report & Accounts  
2009-2010**





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### **Appointments Commission**

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## Message from the Chair

Secretary of State for Health  
Richmond House  
79 Whitehall  
London  
SW1A 2NS

Dear Secretary of State

The Appointments Commission's purpose is to build better public sector boards. While we play a fundamental role in making public appointments on your behalf, our responsibilities are now greater than ever before as we seek to attract, select, develop and support the best possible people into public appointments.

In this past year we have reaped the benefit of investing in a dedicated Candidate Development team that is committed to attracting high calibre candidates from diverse backgrounds. Encouraging greater diversity in public sector boards remains a key priority for us. By actively managing our growing candidate database and participating in a range of outreach programmes across the public, voluntary and commercial sectors we have contributed to a greater awareness of public appointment opportunities. This is reflected in a rise of over 200% in candidates registering their interest with our candidate talent pool throughout 2009/2010.

We have established a robust appointments process delivered by expert staff and capable of withstanding detailed scrutiny. I firmly believe that our impartiality and professionalism has ensured that we are synonymous with best practice in service delivery. Our independence, which I know is valued, remains a defining quality.

Public sector boards, particularly within the NHS, are now being asked to provide more for less. The financial and economic pressures facing the public sector demand high calibre people to lead organisations successfully into the future. It is in this context that we must recognise the valuable contribution that public appointees make in particularly challenging times. I continue to see dedication, commitment and professionalism in all those we appoint, and I would personally like to thank them for their service to local communities and the wider public sector.

We develop those we appoint through a range of initiatives, including the delivery of induction programmes for new health appointees. We have reviewed our events programme to ensure that we offer the most relevant induction support, with over 93% of delegates this year rating our induction events as 'good', 'very good' or 'excellent'. We have continued to embrace technology to enhance the learning experience for new appointees, increasing the number and range of e-learning modules now available.

We undertake an important role in public life and this gives us a valuable insight into the governance needs of public sector organisations, particularly health and social care bodies. Our in-depth expertise is recognised throughout the Department of Health and increasingly across other government departments,

and we have an active role to play in the development and implementation of policies for good governance.

It is essential that Chairs and non-executive directors focus on the core elements of their roles to deal effectively with current governance challenges: the need to drive the strategic direction of the organisation, to offer independent scrutiny and constructive challenge, hold executives to account and shape a positive organisational culture. There are many parallels between the work of our NHS appointees, and those who are appointed to roles throughout Whitehall, and there is much to be learnt by applying the principles of the recently published *The Healthy NHS Board: Principles for Good Governance*. I am delighted that we were able to work with the National Leadership Council in the development of this publication, and I believe it will become an invaluable reference point for NHS board members.

Another key element to the Commission's success is our effective partnership and collaborative working. Strategic alliances with our health colleagues, such as the NHS Confederation, the National Patient Safety Agency and the Strategic Health Authorities have allowed us to strengthen the quality and accessibility of information available to the non-executive community. As an organisation, we have maintained a number of mutually beneficial working relationships, including that with the Government Equalities Office, to enable us to promote public appointments in the most effective way. I am grateful for the support we have received from our partners, and I am excited about realising the further potential of these collaborations in the future.

Year on year, I have seen the Appointments Commission improve and develop; our processes, our services and with that our overall reputation. But I am most proud of how we continue to bring increased awareness and understanding about public appointments. The work of the Appointments Commission is vital. By appointing the best possible people to public boards we affect the life of every patient and member of the public who use and pay for health and other public services.

After another year of progress for the Appointments Commission, I must extend my thanks to our workforce. Our Board, Chief Executive, Appointments Commissioners and staff share a passion for public appointments and good governance that undoubtedly strengthens our standing as the leader in our field. Their hard work and commitment has helped us become the organisation we are today.

Along with all at the Appointments Commission, I look forward to continuing to build better public sector boards and bringing maximum benefit to public appointments.

**Anne Watts CBE**  
Chair



## Introduction from the Chief Executive

Now well into my third year as Chief Executive of the Appointments Commission I am pleased to report that we have enjoyed another significant year of development. This has been achieved through the strategic vision of the Board, the hard work and dedication of the Appointments Commissioners, senior team and staff and means that we have improved our capacity to deliver on our strategic aim of building better public sector boards.

To appoint the best possible people to these important roles, we have to attract the best possible candidates. Over the last year, we have focused heavily on our candidate attraction strategy – promoting public appointments to high calibre, diverse individuals with the potential to improve board performance. Direct links with private, public and voluntary organisations have increased our ability to inform a wider audience, including those from under represented groups, about public appointment opportunities. Along with my senior colleagues, I regularly address corporate leaders, diversity groups and other networks to explain the benefit of public appointment work. This active promotion has helped to generate positive interest and publicity, giving us access to candidates of outstanding quality. We manage hundreds of public appointments for the health and social care communities – and many of those from our candidate pool progress to become valued public appointees.

Operating a fair, transparent and rigorous appointments process that meets individual clients needs is a high priority for the Commission. This year, we have focused on enhancing our client and customer experience to build on our reputation as the leading provider of public appointment services. Our recruitment and selection teams have been reorganised to ensure a dedicated and professional service continues to be provided. Our client management team, who manage campaigns for foundation trusts and government departments throughout Whitehall, has restructured to allow a more bespoke service to be offered. These changes have been underpinned by a complete upgrade of our information technology platform and corporate website so we can meet our growing organisational needs and future demands efficiently.

Our focus on attracting candidates, together with making sure that we understand our customers' requirements, means we are able to offer a professional, tailored service every time. From introducing the option to apply online, to ensuring that all candidates are contacted prior to their interview to check that all arrangements are satisfactory, we are committed to continually improving our service. Some of our best ideas for improvement come from our staff and I have been really pleased with their involvement in developing our plans for the future.

The Appointments Commission is dedicated to the ongoing development of those we appoint. I am very privileged to be able to meet new Chairs and non-executive directors as part of their induction and I never fail to be impressed by their

calibre. From the conversations I hold with new appointees I know that our contribution to their development, especially about their role and the complex environment in which they must operate, is widely valued. This year, we held our first conferences specifically for non-executive directors, which proved highly successful and offered an opportunity for delegates to network with their counterparts from across the country. Moving forward, we will be looking to develop additional ways to support the non-executive community.

These are challenging times for public sector boards and we remain committed to supporting boards in addressing the challenge of doing more for less through effective governance. We continue to provide key advice and support to the Department of Health on public appointment issues and the governance implications of new policies. Our unique position and expertise means we are well placed to offer a positive contribution in this area, and we have done so with, for example, Transforming Community Services, as well as taking a lead on the NHS Constitution project to strengthen local engagement in primary care trust Chair appointments.

*The Healthy NHS Board: Principles for Good Governance* published by the National Leadership Council has vital importance to the health sector as a whole. I was fortunate to represent the Appointments Commission on the project steering group that developed and produced this guidance. With its focus on quality of care and effective use of resources, I am convinced it will assist boards throughout the NHS to improve their overall approach to governance. Our challenge now is to embed the principles of good governance across the health and social care sectors and we will continue to work with partner organisations and directly with the NHS to ensure this happens successfully.

I am pleased to say that we have had a busy year and accomplished a great deal, but we cannot be complacent as there is still more we can achieve. 2011 will mark the tenth anniversary of the establishment of the independent NHS Appointments Commission and the fifth anniversary of our re-constitution as a non-departmental public body, the Appointments Commission. We have come a long way but together with our Board, Appointments Commissioners and staff, I am confident that we are well placed to continue building better public sector boards for the future.

**Andrea Sutcliffe**  
Chief Executive

# About the Appointments Commission

**The strategic intent of the Appointments Commission is to build better public sector boards through the:**

## **Delivery of high quality appointments by**

- *Attracting good candidates from diverse backgrounds*
- *Operating a fair, transparent and rigorous appointments framework that meets client requirements*

## **Provision of expert advice and support on governance issues**

## **Delivery of training and development**

## Who we are

The Appointments Commission is the independent arm's length body established by the Department of Health to recruit, select and, with delegated authority from the Secretary of State, appoint the Chairs and non-executive directors of local NHS and national health and social care bodies. We competitively provide recruitment and selection services for Foundation Trusts and other government departments. In addition, we deliver induction programmes for new appointees and support good public sector governance, primarily in the NHS.

The Appointments Commission has evolved significantly since it was created in 2001. We have a reputation for impartiality and fairness; the expertise of our staff and Appointments Commissioners is widely acknowledged and in recent years we have concentrated on providing a responsive and customer focused service that we know is appreciated by those with whom we work.

## How we work

At the Appointments Commission, our aim is to provide an excellent standard of service that exceeds expectations. To achieve this, we strive to be:

- **Expert:** *making the best use of our expertise and knowledge to provide impartial advice and a high-quality, flexible service to our customers*
- **Professional:** *focusing on quality and upholding public service values*
- **Innovative:** *finding new and different ways to ensure we provide the best possible service and attract high-calibre candidates from a range of backgrounds*
- **Proactive:** *working with boards to keep their needs*

*under review, actively seeking out and encouraging interest from diverse potential candidates and ensuring that all public appointees are supported to succeed*

- **Responsive:** *listening and acting upon feedback*
- **Inclusive:** *engaging with our candidates and clients throughout the recruitment process to meet their needs efficiently and effectively*
- **Accountable:** *to Ministers and Parliament for the effective use of public money and delivery of objectives; to the Commissioner for Public Appointments for compliance with her Code; and to our clients and candidates for excellent customer service*
- **Cost effective:** *ensuring we demonstrate value for money with the best possible outcomes*

## Strategic objectives

The key strategic objectives for the Appointments Commission for 2010 – 2013 are to:

- Promote public appointments to attract a diverse range of high calibre applicants
- Provide an expert, responsive appointments service to all our clients within a fair, transparent and rigorous framework
- Equip our appointees to perform effectively
- Support good governance through advice to boards and our contribution to policy development
- Share our expertise with a wider group of clients
- Invest in our organisation through the development of our people and procedures

# Highlights of the year

- 21,383 people registered on our database
- 560 candidates on our candidate talent pool
- 32 corporate employers signed up to our 'Developing Leaders' pool initiative
- Dedicated advertising and media strategies to reach diverse audiences
- Attendance at over 100 events to promote public appointments

**Attracting good quality candidates from diverse backgrounds**

- 12,357 applications received
- 3,274 online applications received since launch of our new e-Recruitment system in December 2009
- 1,190 appointments made on behalf of the Secretary of State for Health
- 891 recruitment campaigns, for 1,611 individual positions, managed for NHS, Department of Health, Foundation Trust and other government department clients including the Department for Children, Schools and Families, the Ministry of Justice and the Home Office

**Operating a fair, transparent & rigorous appointment framework that meets client requirements**

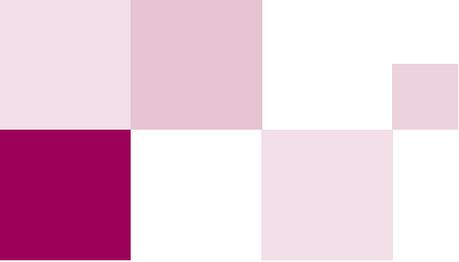
## Building better public sector boards

**Delivery of training and development**

- 397 appointees taken part in the Best Possible Start induction programme
- 23 induction events held throughout the country
- 93% positive feedback for induction events
- Over 300 chairs attended our annual Chairs Conference
- Four new e-learning modules introduced

**Provision of expert advice and support on governance issues**

- Member of the steering group to deliver *The Healthy NHS Board: Principles for good governance*
- Implemented new suspension protocols
- Researched, designed and implemented two key projects for the Department of Health: Transforming Community Services and Strengthening Local Engagement
- Implemented the Commissioner for Public Appointments new Code of Practice



## Promoting public appointments

### Candidate development

The Appointments Commission is committed to promoting public appointments to a wide and diverse range of people to encourage applications for these challenging roles.

Our dedicated Candidate Development team has established a four pronged strategy aimed at improving the overall quality and diversity of boards:

- We **attract** new candidates from professional and under-represented groups
- We **optimise** the potential of candidates by providing them with support and information throughout the application process
- We are working in partnership to **develop** candidates through creating a talent pipeline
- We **retain** potential candidates by maintaining their motivation and interest

We have continued to encourage large employers to promote public appointments to their senior managers through our 'Developing Leaders' initiative. Employees, if successful in being appointed, gain a valuable insight into the public sector, board level experience and the opportunity to make a contribution to their community. Employers see this opportunity as an ideal way to develop their people and provide opportunities for them to work at board level in preparation for their next step within the employing organisation; they benefit from more rounded and experienced senior managers at the same time as demonstrating their commitment to the local community. The public body benefits from the fresh perspective that these individuals can bring. It is a win-win situation for all concerned.

We have developed a 'near hit' talent pool to support those people who have applied for posts previously and have many of the skills and experience required. Although assessed as appointable they lost out on the day to a better qualified candidate. We want to retain the interest of these talented people and the Candidate Development team works with them to provide support and encourage them to apply for other posts.

We have also focused on developing our relationships with networks that have a particular interest in improving the diversity of those appointed to public sector boards. Specific groups have included women, people from Black, Asian and Minority Ethnic communities and disabled people. For example, in 2009/2010 we ran two workshops in London and Manchester in partnership with RADAR, the disability network, to highlight the opportunities that exist. The events were very well received and we will continue to work with RADAR to explore and implement the practical steps people can take to become involved. We also ran a workshop with the

Progressive Muslim Forum again to highlight opportunities and develop understanding of potential roles in the public sector. We continue to build relationships with women's flexible resourcing groups and other organisations who share our commitment to improving the diversity of public boards. For example, we continue to contribute to the About Time programme developed by Common Purpose to encourage more people to apply for and hold public appointments from all backgrounds, sectors, locations and walks of life.

Our collaboration with professional groups continued including the Institute of Chartered Accountants in England and Wales, the Association of Chartered Certified Accountants, the Institute of Directors, the Law Society and the Chartered Institute of Personnel and Development. These organisations provide networking opportunities and access to their membership via web links and events for their members.

### Equality and diversity

The Appointments Commission is proactively working to encourage applications from a wide range of potential. Our aim is that board members should reflect and connect with the communities they serve. Underpinned by our Single Equality Scheme and Diversity Action Plan, written in conjunction with the Department of Health, we are taking proactive steps to promote public appointment opportunities to as many people as possible through innovative attraction strategies, strengthened candidate development and training for our staff.

As we make over one-third of all appointments regulated by the Commissioner for Public Appointments we have a significant contribution to make in promoting equality and diversity in public appointments. Our attraction strategies aim to strengthen and diversify the pool of candidates while continuing to ensure appointments of the best possible people are made on merit through a fair and transparent process.

To ensure that we are promoting public appointments as effectively as possible, our outreach work has continued on both a regional and national level. We have worked with various local community and special-interest groups and forged strong relationships with other government departments including the Cabinet Office and the Government Equalities Office. This approach, as part of our Diversity Action Plan, aims to ensure that we are best placed to attract the most diverse range of applicants.

In July 2009, we issued 3,000 sets of branded referral cards to all Chairs and non-executives. We asked them to get actively involved in promoting public appointments to a more diverse pool of potential applicants by passing on these cards to colleagues and others within their networks who may be considering a public appointment. The referral cards supported them in this, directing potential candidates to a dedicated recruitment website: [www.peoplewho.org.uk](http://www.peoplewho.org.uk).

In late 2009 we launched our new corporate website, which includes video footage of serving Chairs and non-executive directors talking about their roles, to encourage applicants who would not necessarily consider a public appointment to connect with the opportunities. We will continue to review and develop this site to ensure it is fully accessible for all applicants.

## Advertising strategy

Our advertising strategy has been informed by research into targeting and reaching under-represented sections of society, including studying published reports and seeking out best practice. We also analysed our own qualitative research project 'Are there any women on board?', which was featured in our last Annual Report. Overall, our research revealed that for most people, the decision to apply for a public appointment is motivated by the desire to 'make a difference' and 'give something back to the community'.

Our response was the introduction of a new advertising strategy: 'People who...'. The concept is that people who are appointed to public appointments are all different, make different contributions and are motivated by different things to put themselves forward for public appointments. The 'People who' concept has been carefully designed to reach the various and diverse audiences we need to engage with, through the wide range of images and inspiring words that fit alongside the headline. The headline words describe the key characteristics required from a Chair or non-executive director, such as:

*People who... **lead***  
*People who... **challenge***  
*People who... **care***  
*People who... **count***

This allows us greater creativity when appealing to specific target markets; using softer or more direct words depending on the media. The contemporary graphics chosen to support the key messages deliver flexible, intriguing and prominent imagery that is particularly effective when used in full colour print media.

We have utilised the 'People who' concept throughout our exhibition material and relevant literature, enhancing awareness of the branding and promoting the desirable characteristics of the non-executive community.



'People Who' campaign example

## Media strategy

The findings from 'Are there any women on Board?' also helped shape our media strategy as it highlighted the publications read by women who hold public appointments. This was combined with research by our advertising agency on how best to target diverse audiences and led to the development of bi-monthly schedules co-ordinating our public appointment awareness-raising activity. The list of publications used in this strategy included many of the national broadsheets and a number of trade publications in key skill areas such as human resources, communications, accountancy and law. The media strategy also sought to tie in advertising with key features and supplements on a range of related key issues, including public appointments, development opportunities and diversity in the workplace.

As part of our media strategy, we have also sought to contribute articles to select publications to help promote public appointment opportunities. In December 2009 we contributed an article to the disability magazine 'Able' which is circulated to almost 30,000 people, highlighting the unique skills and perspectives that disabled people can contribute at board level. In early 2010, our Chief Executive contributed to a series of articles in the Health Service Journal about the importance of diversity in public appointments.

Throughout the year we have trialled a number of online advertising initiatives including banner advertising and behavioural targeting, an online technique that uses information collected on an individual's web-browsing behaviour to select when our adverts are shown. This has proved particularly successful, for example a specific behavioural targeting exercise looking to target professional women with the Guardian Online gained an above-average 'click through' response rate, leading those who clicked on our advert through to our corporate website.

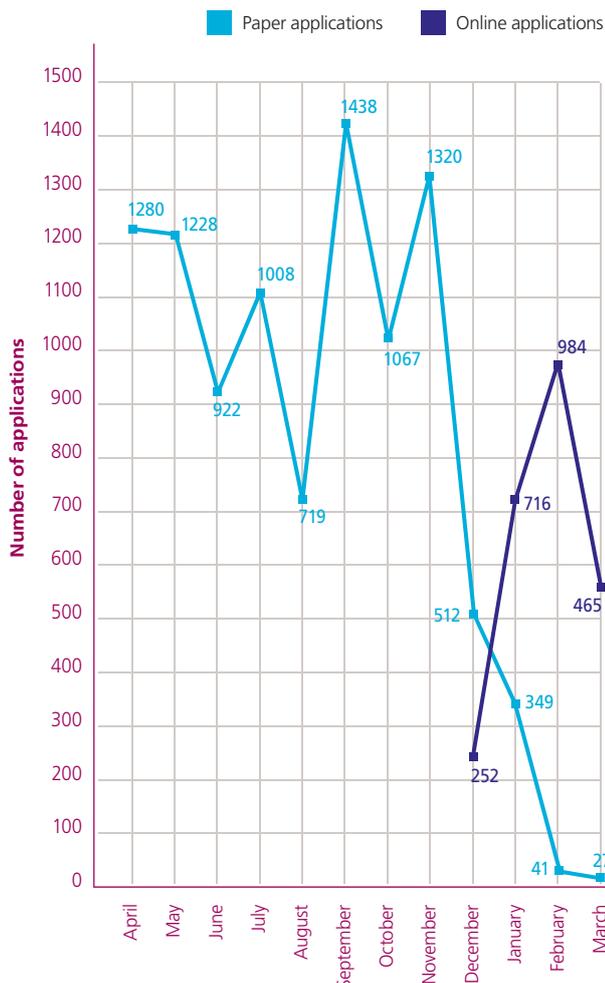
# Providing an expert, responsive appointments service

## Recruitment Services

All of the information packs for vacancies are available to download from our website. In addition, nearly 17,000 hard-copy information packs were sent out in formats including large print, Braille and audio tape.

With the launch of our new website in December 2009 we have introduced the opportunity to apply for posts online. This has proved incredibly popular with applicants, particularly as they are able to create an online account and manage all of their own information in one place. As the graph below shows, we saw a dramatic change in the way candidates made their applications, moving away from hard copy forms to online submissions. This highlights the success of our new system as an alternative, efficient and secure way to apply for a role.

### Applications - paper and online



## Commissioner for Public Appointments launches new Code of Practice

In August 2009 the Commissioner for Public Appointments, who regulates the majority of appointments we make, launched a new Code of Practice. The Code sets out the processes we must follow when appointing Chairs and non-executive directors. Throughout 2009/2010, we conducted training sessions to ensure all our staff have a thorough understanding of the new Code. We have revised our policies to ensure we continue to appoint people through an open, fair and transparent process, based on merit, and in compliance with the new Code.

## Campaign management

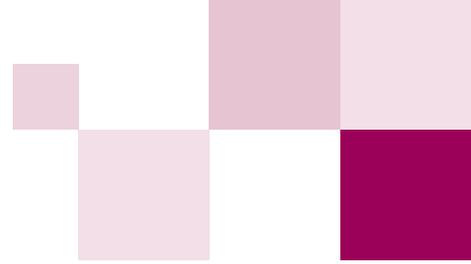
Appointing new members to boards and committees is a challenging and time consuming exercise. As the only organisation in the UK dedicated to this demanding activity, we are always seeking better ways to provide high quality recruitment and selection services to ensure that the appointments process is accessible, open and comprehensive and that the best possible people are appointed. Our expertise across the widest range of public appointments means that we have a complete understanding of what is involved, from finding diverse and talented candidates through to supporting appointees with advice on leadership, best practice and good governance.

Each client's needs are different and to ensure we give the best possible service, every time, we ensure that we treat each client as an individual, offering tailored advice, bespoke recruitment strategies and a dedicated point of contact.

***"I would like you to know how much I appreciate the excellent support and help you (and your colleagues) have given us during this campaign which culminated in three very promising candidates being appointed today. The processes worked smoothly and efficiently and you were always very responsive to any particular needs we had. It has been a pleasure to work with you. Thanks for doing a really good job for us."***



*John Gant, Chairman, NHS Leicestershire County and Rutland*



## Local NHS organisations

The needs of local NHS organisations change over time and we work closely with the Chairs of Strategic Health Authorities, Primary Care Trusts and NHS trusts to provide support, assess the requirements of boards and deliver a campaign that is professional, timely and responsive.

Our partnership approach ensures we work with individual organisations to identify their specific needs, which are then reflected in our recruitment strategies. We engage and support NHS organisations throughout the entire recruitment and selection process. Our Health and Social Care Appointments Committee makes the final appointment decision based on the recommendation of selection panels that assess the merit of each application we receive.

## National health and social care bodies

Each of these bodies delivers a specialist function and the needs of their boards and committees are equally diverse. We provide a responsive service that seeks to attract exceptional individuals with very specific skills and experience, through bespoke and innovative candidate attraction strategies.

We work in partnership with organisations to provide the level of support they need, including managing the selection and appointments process in accordance with the Commissioner for Public Appointments Code of Practice.

Whether for a small advisory council or large, high profile body, we are committed to deliver an expert, professional service that will help these organisations build better and more effective boards.

## Case Studies

### Delivering a high-profile campaign

*The Government Equalities Office commissioned the Appointments Commission to manage a campaign for the Equality and Human Rights Commission. They were looking to appoint eight - ten Commissioners who could demonstrate a passion and commitment to promoting equality, human rights and fighting discrimination.*

*After attending a campaign management meeting in London, we created an advertising strategy to ensure that we were able to reach particularly diverse audiences. We also sent details of the vacancies to over 420 individual organisations and networking groups, and promoted the opportunity to 18,000 individuals on our mailing list.*

### Delivering an innovative campaign

*The Appointments Commission recently managed a campaign for the Advisory Committee on the Safety of Blood, Tissues and Organs, who were looking for a CJD Expert following a prior resignation. It was essential that candidates had experience of investigating, assessing or diagnosing all forms of CJD, including variant CJD, and previous experience of contributing to committees and scientific literature.*

*To ensure that we are able to identify applicants with the very specialist expertise, we devised a bespoke recruitment strategy to reach those with the specific*

*This was done amid much controversy in the media about the organisation. Despite this, and the campaign being run over the summer months when traditionally we receive fewer applications, this campaign attracted a record 610 applications which is the highest number of applications we have received for a central government campaign.*

*Once the advertising deadline was reached, we were able to manage the remainder of the campaign in less than eight weeks including pre-sifting and shortlisting. As there was such an impressive calibre of candidates, the Minister for Women and Equality took the decision to appoint the full ten Commissioners.*

*expertise demanded by the role. As part of this strategy, the post was advertised on our website and on the Cabinet Office Public Appointments website. The campaign was supplemented by notifying individuals on our mailing list and in the candidate development pool. In addition we wrote to organisations to target CJD experts and contacting them directly via email and telephone.*

*Three strong applicants were identified, all of whom were invited for interview. A candidate was successfully appointed for a term of three years.*

## Foundation Trusts

The responsibility for the appointment of the Chairs and non-executive directors of Foundation Trusts rests with its governors. We have established a dedicated team that has won business from 26% of the Foundation Trust market. Over 85% of these clients choose to use the Appointments Commission because of our professional expertise and over 98% would use us again and recommend us to other organisations.

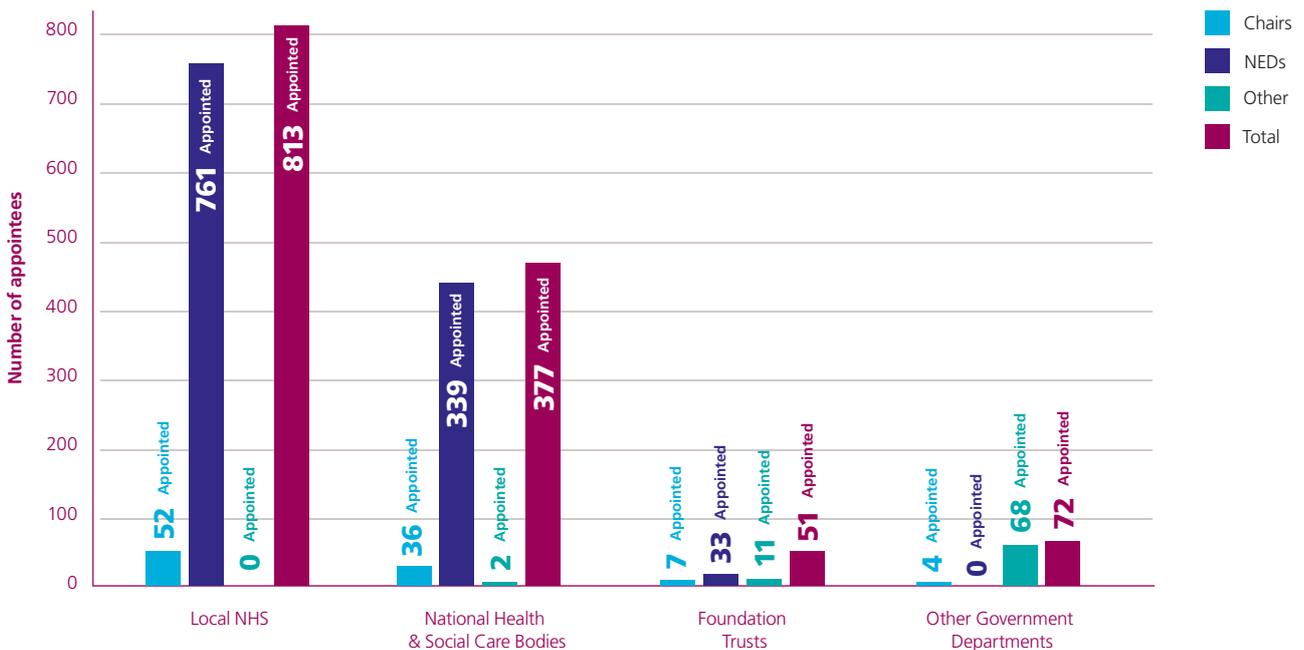
We have quickly established a reputation for excellent service; as well as bespoke recruitment advertising strategies to reach high-calibre and diverse prospective candidates, Foundation Trust clients have access to the full range of our services, including our unique talent pools and high profile web-based advertising. We have learnt and grown alongside our Foundation Trust clients, and are uniquely placed to tailor our support to individual needs.

## Other government departments

Following a retendering of the Cabinet Office call-off contract by which government departments procure executive search and recruitment services, a new framework agreement came into force in August 2009. Under this new agreement, Government departments that wish to procure external support for recruitment exercises are obliged to invite bids from all companies included on the framework. As a result of our successful inclusion on this list of Government preferred suppliers, we are invited to compete for all public appointments activity outsourced by central Government. To date we have a 60% success rate, winning almost two-thirds of outsourced contracts for public appointments campaigns.

As a result of some excellent work for a number of key Whitehall clients we have developed particularly strong relationships with the Home Office, Government Equalities Office and the Department for Children, Schools and Families. Clients speak particularly highly of the way in which we are able to combine an understanding of working to the constraints and timelines required within Government with an excellent record on diversity in appointments, offering value for money via an extremely cost-effective service. Equally importantly, a responsive, dedicated team is available throughout each campaign to offer advice and support.

### Appointments activity



## Monitoring the diversity of public appointments

At the Commission we regularly monitor our performance in relation to the diversity of appointments made in the health and social care communities against challenging targets agreed with the Department of Health. The figures throughout this section, which relate to appointments made by the Appointments Commission with delegated authority from the Secretary of State for Health, show that whilst there is still much work to be done, the positive action we are taking is starting to achieve results.

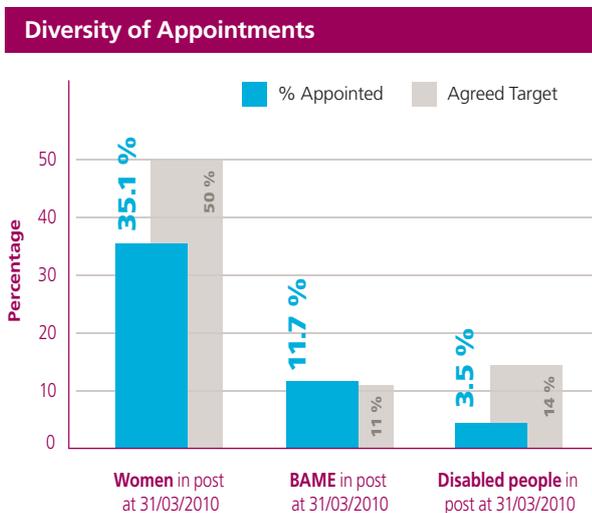
### Women

The percentage of women appointed by the Appointments Commission throughout the year was 35.1%, compared to 33.6% last year. While this demonstrates that there has been some improvement in the last year, this remains an area of concern.

### Black, Asian and minority ethnic (BAME) people

We have seen an increase in the percentage of people appointed from BAME communities overall, which now stands at 11.7%. This compares to 2008/2009, when 10.2% of those appointed were from these communities.

Despite this national average, we recognise that we face particular challenges in areas with higher BAME populations and continue to promote public appointments to these communities.



### Disabled people

The percentage of disabled people we appointed this year was 3.5%, which represents a small decline from last year when 4.9% of those appointed were disabled. Monitoring the disability of appointees is particularly challenging as we have found that many people who may be defined as disabled under the Disability Discrimination Act do not declare themselves as so when undertaking the application process. To allow for more accurate monitoring, we have refined the question we ask about disability within our application pack to encourage those with a disability to declare it. We recognise, however, that we will continue to have work to do to meet this challenging target.

### The new disability question

Many people do not consider themselves to be disabled, but under the Disability Discrimination Act you can consider yourself disabled if you have a physical or mental impairment or long-term health condition, and:

- The effects are expected to last, or have lasted for a year or longer and have a substantial effect on your ability to carry out day to day activities or
- Your day to day activities would be limited without medication, treatment or adjustments (for example the use of inhalers, physiotherapy, a hearing or visual aid or insulin).

Taking this into account, do you consider yourself to be a disabled person? YES / NO

### Additional information

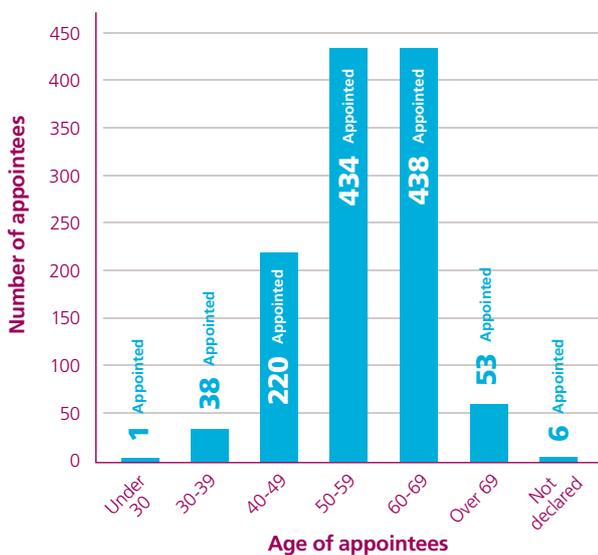
To answer the question, here is a list of some of the conditions or impairments that could cause someone to describe themselves as 'having a disability'. It is not meant to be an exclusive list and is given for guidance only.

- Hearing, speech or visual impairments (if you wear glasses or contact lenses this is not normally considered a disability)
- Conditions affecting co-ordination, dexterity or mobility e.g. polio, spinal cord injury, back problems, repetitive strain injury
- Mental health conditions e.g. schizophrenia, depression, severe phobias
- Learning disabilities
- Other physical or medical conditions e.g. diabetes, epilepsy, arthritis, cardiovascular conditions, haemophilia, asthma, cancer, facial disfigurement, sickle cell, dyslexia etc

## Age of appointees

The average age range of appointees remains between 50 and 59. While the age profile of all candidates does vary from year to year, it has not changed significantly over time.

### Age of appointees 2009/2010

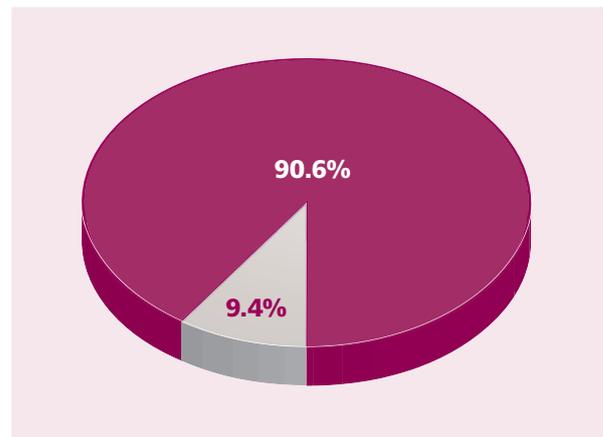


## Political activity of appointees

The Appointments Commission is required to collect political activity information by the Commissioner for Public Appointments for monitoring purposes. This information is not seen by the selection panel and plays no part in the appointments process.

At just over 90%, a significant majority of those appointed declared that they have not undertaken any political activity in the last year. This figure has risen from 86% last year.

## Declared political activity



## Complaints

The Commission received 48 complaints during the year which represented 0.4% of applications received. This compared with 29 complaints during 2008/2009 representing 0.2% of applications received. Much of the increase can be attributed to increased levels of activity in our national campaigns, some of which attracted several hundred applications.

Three of the 48 complaints were upheld in full and a further two were upheld in part. One complaint was referred to the Commissioner for Public Appointments, compared to no referrals in the previous year.

Where complaints issues are upheld, we identify the corrective action to be taken and ensure that procedures are changed if necessary.

Issues around 'merit' and 'openness and transparency' continue to provoke the most complaints. Those about 'merit' were mainly from applicants disappointed at either the shortlisting or interview stages. Those relating to 'openness and transparency' generally concerned criticisms of the appointments process, or the information pack, advertisements or selection criteria.

The majority of complaints were resolved within our 20-day deadline. Where the deadline was exceeded, the complainants were informed about the additional delay and apologies offered.

# Equipping all appointees to work effectively

## Training and development

To ensure all newly appointed Chairs and non-executives within the NHS receive the best possible start in their appointments, the Appointments Commission provides high quality, comprehensive training and development programmes.

The National Training Group (NTG), established by the Commission, advises on the design of the programmes and ensures that best practice is developed and shared across the country. The group focused this year on expanding the range of e-learning offerings available to new appointees, building on the growing interest in the Healthcare Financial Management Association (HFMA) finance and governance modules we already offer. E-learning is a particularly flexible way of learning, allowing individuals to work at their own pace, in a place and at a time that is most convenient. Throughout the year, with the support of the NTG, we have developed four new e-learning modules dealing with: Recruitment, Appraisal, Diversity and Health Inequalities. These modules will be available to all our new appointees and are relevant to all NHS organisations including Foundation Trusts.

The NTG includes representatives from all of the Strategic Health Authority areas covering acute, mental health and primary care trusts as well as Monitor and the NHS Institute. It is chaired by Gareth Hadley, Appointments Commissioner for the East Midlands and East of England.

In addition the Appointments Commission continues to work closely with the Strategic Health Authorities and representatives of the local NHS to ensure that our development programmes complement any other training which Chairs and non-executive directors may receive.

## Governor training

In response to a growing demand amongst Foundation Trust governors for a better insight into how to recruit their non-executives, we have now launched a programme of training specifically for governors who have this important responsibility.

There is a growing amount of legislation affecting high level recruitment within Foundation Trusts, so the aim of our training is to ensure those involved in recruiting non-executives have the knowledge and understanding required to make a successful appointment.

We have developed a number of training options which can be delivered individually or to groups. Key topics include recruitment best practice, understanding legislation, equality and diversity, shortlisting and interviewing.

The training package was trialled with two Foundation Trusts prior to its launch at the NHS Employers Conference in November 2009.

***“I do have a far better understanding now and I found the elements of the training dealing with discrimination to be very fair and subsequently carefully applied by our interview panel”***



*Wendy Steele, Service User Governor  
Northamptonshire Healthcare NHS Foundation  
Trust Nominations Committee*

## The Induction Programme

For those appointed to an NHS organisation, we provide a comprehensive induction package that begins as soon as an appointee takes up their role and continues throughout the first year in post. Covering a range of essential information, the programme equips appointees with the skills and knowledge needed to be a truly effective board member. The programme is described below:

### The best possible start – one-year induction programme

#### *On appointment*

Appointees are sent relevant reading material including information on NHS structures, financial regimes, a glossary of terms and any other appropriate information.

#### *On taking up the post*

Appointees receive an induction pack setting out what is expected of them and what they should expect by way of support and induction locally.

#### *After three months*

Appointees attend a two-day residential course, which includes presentations on key topics and interactive working sessions. This also provides a valuable opportunity for delegates to network with non-executives from other types of NHS organisation and from different parts of the country.

#### *Ongoing development*

Appointees are offered a number of online training modules, which can be tailored to their own specific interests, skills and experience. Topics include governance issues, finance, diversity, health inequalities, appraisal and recruitment. The Appointments Commission also delivers a range of conferences and events throughout the year to which Chairs and non-executive directors are invited. Several of these are run in partnership with relevant external organisations such as the NHS Confederation and the Audit Commission.

#### *After a year in post*

Appointees attend a final one-day course. This will include feedback from delegates on how their role is developing, a review of the induction process and offers a range of interactive case studies covering high profile topics.

## Attendance and feedback on training and development

During 2009/2010 we have organised 23 development opportunities and events for 397 Chairs and non-executives.

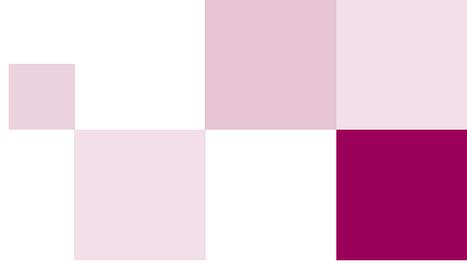
Our two-day residential course for non-executive directors continues to attract a high level of attendance with an average of 30 delegates at each event and a 75% overall attendance figure. A broad range of issues and topics are discussed to capture the wide-ranging knowledge needed by a non-executive. The two-day activity for new Chairs, which is designed to offer a more concentrated and focused setting, has an equally strong attendance rate, with 85% of all newly appointed Chairs participating. The course for Chairs is much more intimate - typically around seven delegates attend each event. This smaller working group ensures that we are able to focus on the specific needs of Chairs and the complex and challenging environment in which they operate.

Over 90% of delegates who have attended induction related events have completed an event evaluation. The feedback is consistently positive, with 93% of delegates who completed an evaluation form during the year rating the events as either 'good', 'very good' or 'excellent'.

***“I write to let you know what a thoroughly worthwhile two days it has been. The programme was very well considered and timed and you looked after us extremely well and made everything go very smoothly indeed”***

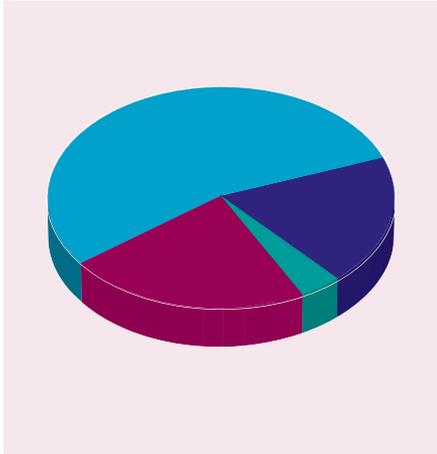


*Martin Watts, Chairman,  
Royal Cornwall NHS Hospitals Trust*



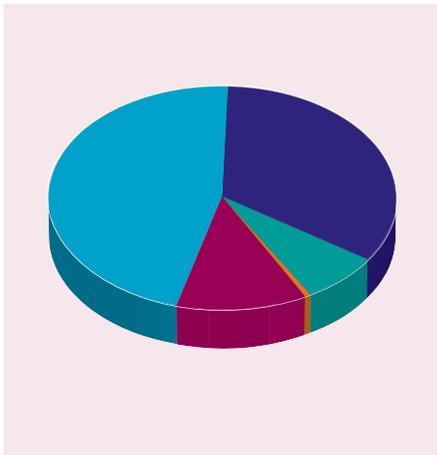
### Overall assessment of Chair events 2009/2010

- **22.6 %**  
Excellent
- **54.7 %**  
Very good
- **18.9 %**  
Good
- **3.8 %**  
Average
- **0 %**  
Poor
- **0 %**  
Very poor



### Overall assessment of non-executive director events 2009/2010

- **12.1 %**  
Excellent
- **46.5 %**  
Very good
- **33.7 %**  
Good
- **7.4 %**  
Average
- **0.3 %**  
Poor
- **0 %**  
Very poor



## Events

In an exciting new initiative, this year we delivered two one-day conferences for non-executive directors in partnership with the NHS Confederation and Strategic Health Authorities. These events took place in November and December 2009 and over 570 delegates from across the country attended in London or Leeds to hear a variety of speakers discuss the non-executive role. These events also saw the launch of invaluable guidance, produced in partnership with the National Patient Safety Agency, for different boards covering their role in respect of patient safety.

Delegates were also able to take the opportunity to feed into the development of *The Healthy NHS Board: Principles for Good Governance*, informing the content and direction of the document. Both conferences were a resounding success and were highly rated by delegates, around 85% of whom said that they would like to see this become an annual event, an option that we are currently exploring.

In February 2010, we hosted our annual Chairs' Conference in London organised in partnership with the Department of Health, the Strategic Health Authorities, NHS Confederation, Monitor and the NHS Institute for Innovation and Improvement. The event focused on the importance of good governance in the NHS, strategic challenges and the political environment and, significantly, was the launch event for *The Healthy NHS Board: Principles for Good Governance*. Over 300 chairs attended to hear industry-leading guest speakers including Sir David Nicholson, Elisabeth Buggins and Nigel Edwards and to participate in lively debate and discussions.



The annual Chairs' Conference in London

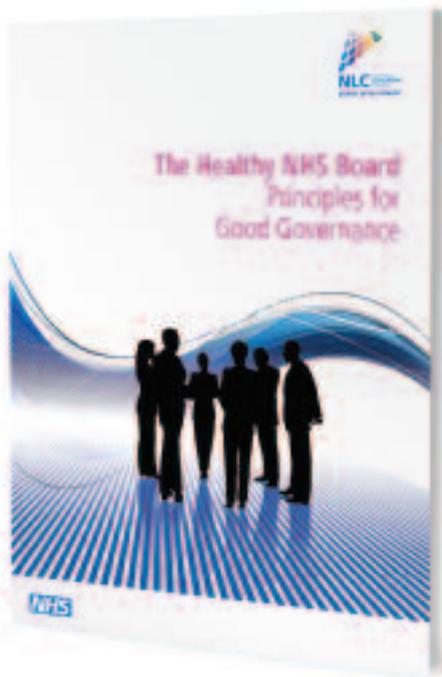
## Supporting good governance

As part of our commitment to building better boards we promote effective board leadership and governance within the NHS and provide support to board members in their role through the provision of guidance and advice.

We also play a key role in promoting understanding and leading the debate on how public appointments are made. We work closely with the Department of Health in providing support and expertise in the development and implementation of policy and relevant legislation.

### The Healthy NHS Board: Principles for Good Governance

In February 2010, the National Leadership Council published new guidance for NHS boards on the principles for good governance, including a new definition for governance in the NHS and the role of an NHS board and its respective members. We played a key role in the development of this guidance and conducted extensive and structured consultation with Chairs and non-executive directors to gather views and enable these key stakeholders to shape the content of the guidance.



### Strengthening local engagement project

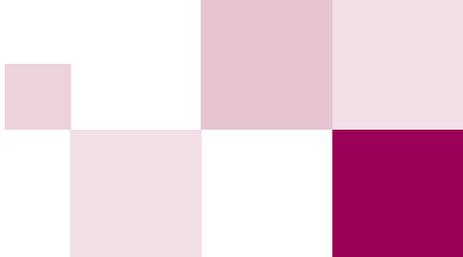
During 2009, we carried out a major project for the Department of Health to explore how local participation in the appointments process could be achieved. The project focused on potential options for primary care trust Chair appointments and following two lively workshops where ideas were explored with a diverse range of representatives, we developed a national framework containing principles and an 'option menu'. The framework and an implementation plan were approved by the Department of Health at the beginning of 2010.

### Supporting good governance in primary care trust community services

In July 2009 we published guidance, together with the Department of Health, to support primary care trusts in establishing strong and robust governance for their community services as part of separating out their commissioning and provider functions. The guidance provided a nationally consistent but flexible approach for ensuring strong leadership, including independent scrutiny and oversight, assurance and accountability so that patients continue to receive safe, high quality and value for money services during this period of significant change and transformation for community service provision. We are working closely with primary care trusts to support the implementation of plans for the future of their community services.

### Equality and Diversity Forum

In February 2010 we established an Equality and Diversity Forum to develop the good work already started by our previous Equality and Diversity Advisory Group. The new forum, which has been designed as a 'virtual' group, will allow us to explore diversity and equality related issues with a wider group of participants using electronic communication in a workshop or panel format. Since its launch, almost 100 people from the health and wider public sector have volunteered to participate in the Forum.



## Sharing our expertise

The last year has been a challenging one for all providers of recruitment and selection services to the public sector with an increased focus on both value for money and on improving the diversity of public boards. Against this backdrop, the Appointments Commission has been well placed to meet clients' requirements; our not-for-profit status ensures that our fees are the most cost-effective in the industry; and increasing the diversity of public appointees is a core element of our business plan, always underpinned by our abiding principle of appointment on merit.

We have worked in close partnership with a range of government departments on the diversity agenda, helping to reduce barriers to entry and encourage greater participation in public life from the widest possible spectrum of the community. Key clients this year have been: the Home Office, which continues to use us across a wide range of appointments and is increasingly taking advantage of our wider offering, which includes targeted search and candidate evaluation; the Department for Children, Schools and Families and the Government Equalities Office, both of which have used us for all their public appointment activity in 2009/2010.

We are very aware of the privileged position we occupy and are keen to share our knowledge and expertise more widely with both clients and colleagues across the public sector. With this in mind, in February 2010 we held a workshop for public appointments contacts from all Government Departments. The theme of the workshop was 'Public Appointments - what works and what doesn't' and we were extremely pleased to see representatives from almost every Government Department. To ensure a more rounded debate we also invited an Independent Public Appointments Assessor and a serving public appointee who were able to provide us with valuable insight into the process from their different perspectives. Feedback was extremely positive and, most importantly, delegates felt they were able to return to their respective departments with some tangible actions to implement.

## Investing in our organisation

### Staff development

We have worked to improve our staff development measures over the past year. All of our staff, including managers, have received training on performance management and how to get the most out of the annual appraisal process. In addition, we have introduced a revised training and development policy to give us a framework that will enable training needs to be identified and aligned properly with our strategic objectives.

In the past twelve months, we have invested in training courses for our staff covering disability awareness, giving effective presentations, networking skills and managing successful projects. We have also increased our capacity to deliver in-house training.

Our annual staff survey produced positive feedback overall, with significant improvements on last year's results, reflecting the work done to address concerns. We have held two staff away days that were attended by all employees. These were used to review key achievements, ensure understanding of our business aims and get individuals to consider how to maximise their personal contribution to the organisation. Staff survey results and outputs from our away days will be employed to devise an action plan to address any issues. In addition, we have continued to promote active participation in business improvement by running staff innovation groups to look at key work areas.

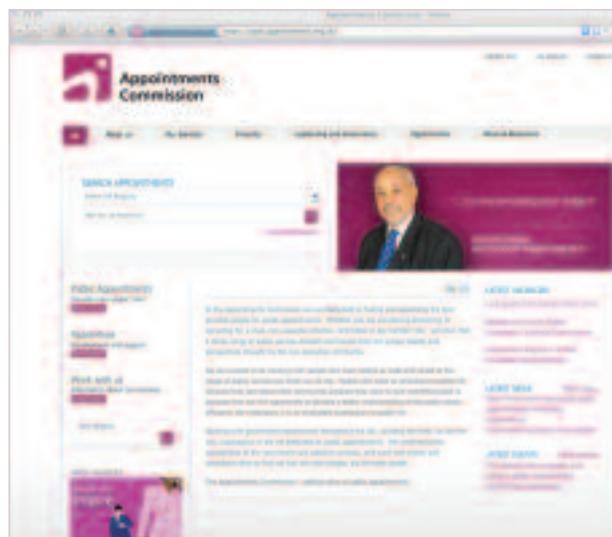
### Transforming our IT

In what has been a significant project throughout 2009/2010, we have developed and improved our IT infrastructure throughout the organisation. Our specific focus was the corporate website and developing a web-based platform to support our business processes.

The corporate website [www.appointments.org.uk](http://www.appointments.org.uk) has been completely redesigned to appeal to a wider range of audiences. We have ensured that there is a wealth of information available for those considering a public appointment and have provided dedicated sections for those we appoint and the clients we work with. An integral part of the revamped website is our new and bespoke e-Recruitment system. This allows people to create online accounts and securely apply for posts online. They can also manage their personal information and preferences themselves. Within the e-Recruitment system, a secure platform is available for selection panel members who are able to access documentation online. The e-Recruitment system represents a fundamental move away from paper-based systems and as well as enhancing our competitive position, is a more cost-effective and productive way to operate for both our staff and the stakeholders and candidates with whom we interact.

Our information systems have also been upgraded to streamline the various databases we have previously created. Sitting behind the e-Recruitment system, we now have a single, consolidated operating system that will bring improved efficiency in reporting and activity planning. This allows us to deliver a more cost effective service by freeing staff time from administrative task to provide a more customer focused and professional service.

Since the launch of the new website and e-Recruitment system in December, 195 campaigns have been advertised online and we have received in excess of 3,000 online applications. Our mailing list, which previously stood at 16,000 people, has dramatically increased in the four months since launching our new website and now has over 21,000 registered members. These members benefit from their own online account and access to our weekly 'Vacancies by email' alert which is sent directly to their inbox and matched to users individual preferences.



The Appointment Commission's new corporate website

# Management commentary

The accounts for the year ended 31 March 2010 have been prepared in accordance with the direction given by the Secretary of State in accordance with Section 22(2) schedule 4 of the Health Act 2006 dated 14 June 2007 and in a format as instructed by the Department of Health with the approval of the Treasury.

## Background

The NHS Appointments Commission was established as a Special Health Authority in 2001 with the purpose of making appointments of Chairs and non-executives to the boards of NHS trusts and Health Authorities in England, and any other duties as directed by the Secretary of State. The Health Act 2006 abolished the NHS Appointments Commission with effect from 1 October 2006 and replaced it with a non-departmental public body called the Appointments Commission. The Commission has greater freedoms which allow it to undertake all the same work as before, but also to extend its remit to other Government departments.

Since 2002 the Commission had provided a programme of training and development for all Chairs and non-executives. Following the Commission's strategic review in 2007 it was agreed that the Commission would retain responsibility for the induction of new NHS appointees for their first year and then ongoing training would be the responsibility of the Strategic Health Authorities. Induction training for new appointees to local NHS posts is funded by a charge to their organisations. Other organisations can also choose to participate in the Commission's induction process.

## Review of activities

During the period the Commission had a total expenditure of £6.3million. The largest area of expenditure was the £2.9million that was spent on recruitment and appointment activities for NHS and Department of Health (DH) clients for whom the Commission is responsible for making appointments. This work was funded by grant in aid and by fees charged to DH clients.

Expenditure of £0.9million was incurred on business development activities. These activities include induction, training, and networking events for appointees. They also include recruitment work carried out for Foundation Trusts and other government departments who chose to use the Commission to recruit for them although we do not make the final appointment to these posts. This work was funded by grant in aid and by fees charged to clients.

£2.4million was spent on corporate and central services which support the organisation as a whole.

The published accounts reflect adoption of International Financial Reporting Standards (IFRS) and as a result are

presented in a revised format. Changes to opening balances as a result of the adoption of IFRS are summarised in note 2 (page 35).

Since the year end a new coalition Government has been elected and has announced its high level plans, such as a proposal to change the establishment of PCT boards. To date the detailed policy of the new government and its implications for the work of the Commission have not been clarified. As appropriate details become available the Commission will be reviewing its strategic and business plans to ensure that they support the policies of the new administration and the Department of Health. This is not considered to have an impact on the going concern assumption of the Commission that underlies these accounts.

## Staff

The Commission had an average of 61 whole time equivalent staff over the year. We maintain a range of staff policies and a review of these has continued during the year to ensure that they are up to date and reflect current best practice. The annual staff survey was repeated and plans have been developed for dealing with issues and suggestions that have arisen from it. During the year the average working days lost through sickness was 7.7 per employee.

## Social and community issues

The Commission recognises the importance of a good work life balance and we have a range of flexible working options in place to support this. A childcare voucher scheme is in operation so that staff can save money on child care costs.

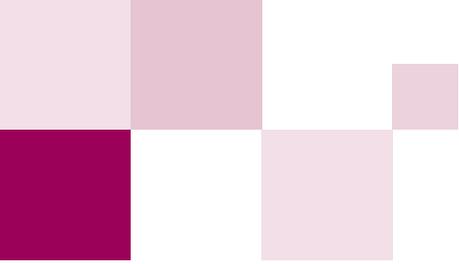
The Commission encourages and supports staff participation in the wider community through activities such as charity fundraising events.

## Environmental matters

As a small organisation the Commission takes appropriate steps to minimise its environmental impact. These include encouraging the use of public transport, using recycled materials where possible and maximising the amount of office material that is re-used or recycled. We have an office 'green group' to take the lead on these issues.

## Other information

Details of Commissioners, Board members and Audit committee members can be found in Appendix 1 on page 46. The appendix also shows attendance records for Board and Audit committee members. Details of remuneration for Commissioners and Board members are given in the report on page 20. Details of the pension scheme can be found in note 1.8 to the accounts.



The Commission is not aware of any incidents during the year related to loss or unauthorised disclosure of protected personal data.

The Commission's performance under the Better Payments Code can be found in note 5 to the accounts.

### **Auditors**

The accounts have been audited by the Comptroller and Auditor General in accordance with the Health Act 2006. The audit certificate is on page 26. The cost of the audit was £23,100.

So far as I am aware there is no relevant information of which the Appointment Commission's external auditors are unaware. I have also taken steps to make myself aware of any information relevant to the audit and to ensure that the auditors have been informed accordingly.

**Andrea Sutcliffe**  
Chief Executive

2 June 2010

# Remuneration report

The Appointments Commission is required to prepare a report containing information about the remuneration of senior managers, who are defined as those who have authority for directing or controlling the major activities of the Commission. For the Appointments Commission this group comprises the Chair, Non-executive Directors, executive board members and Commissioners.

## Remuneration policy

The Chair, Non-executives and Commissioners are remunerated at an annual rate that is set by the Department of Health. In addition, payment is occasionally made to Commissioners for their participation in work that is additional to the work expected and remunerated within the annual rate. In the details of remuneration this additional work is reported in the "other remuneration" column.

The Remuneration Committee reviews the remuneration of the Chief Executive and executive directors each year.

## Appointment terms

The Chair, Non-executives and Commissioners are appointed for fixed terms - details of their appointment terms are shown in the table below.

For the Chair, Non-executives and Commissioners there is no provision for compensation for early termination and no formal notice period.

The Chief Executive has a permanent contract, requiring six months notice. Other executive board members are on permanent contracts with standard terms and conditions requiring three month's notice.

Appointment terms				
	From	To	Term length	Notes
<b>Chair</b>				
Ms A Watts	01/04/07	31/03/11	4 years	
<b>Commissioner, Non-executive Director &amp; Vice Chair</b>				
Mrs M Scott	01/04/07	31/03/11	4 years	
<b>Non-executive Directors</b>				
Mr D Cain	01/04/07	31/03/10	3 years	(1)
Mrs J Robertson	01/10/08	30/09/12	4 years	
Mrs B Thayer	01/10/08	30/09/12	4 years	
<b>Commissioners</b>				
Mr M Taylor	01/04/09	31/03/11	2 years	(2)
Mrs P Bennett	01/04/07	31/03/10	3 years	(3)
Mrs M Hughes	30/04/07	29/04/10	3 years	(4)
Mr G Hadley	30/04/07	29/04/11	4 years	
Mrs A Lloyd	05/02/09	04/02/13	4 years	

(1) Mr Cain has had his term of appointment extended for three years from 1 April 2010 to 31 March 2013

(2) Mr Taylor resigned with effect from 31 March 2010

(3) Mrs Bennett has had her term of appointment extended for four years from 1 April 2010 to 31 March 2014

(4) Mrs Hughes has had her term of appointment extended for four years from 30 April 2010 to 29 April 2014

## Remuneration Committee

The Remuneration Committee comprises the Chair and the three Non-executive Directors who determine the remuneration of the Chief Executive and other executive directors who are on very senior manager contracts, taking into account relevant guidance issued by the Department of Health. The Commission does not have any performance related remuneration.

## Remuneration for the year ended 31 March 2010

The following tables show the remuneration and pension benefits for the year ended 31 March 2010 and are subject to audit.

Board and Commissioners' remuneration				
	Year ended 31/3/10		Year ended 31/3/09	
Name and title	Remuneration in 5k bands £000	Other remuneration in 5k bands £000	Remuneration in 5k bands £000	Other remuneration in 5k bands £000
Ms A Watts (Chair)	45 - 50	0	45 - 50	0
Mrs P Bennett (Commissioner)	30 - 35	0	30 - 35	5 - 10
Mr D Cain (Non-executive and audit committee chair)	10 - 15	0	10 - 15	0
Mr G Hadley (Commissioner)	30 - 35	0	30 - 35	0
Mrs M Hughes (Commissioner; both years; non-executive to 30 Sept 2008)	30 - 35	5 - 10	30 - 35	0
Mrs A Lloyd (Commissioner) (a)	30 - 35	0	0 - 5	0
Mrs J Robertson (Non-executive) (b)	5 - 10	0	0 - 5	0
Mrs M Scott (Non-executive & Commissioner)	30 - 35	0 - 5	30 - 35	0
Mr M Taylor (Commissioner; both years, non-executive to 30 Sept 2008) (c)	30 - 35	0 - 5	30 - 35	0
Mrs B Thayer (Non-executive) (b)	5 - 10	0	0 - 5	0
Ms A Sutcliffe (Chief Executive)	130 - 135	0	125 - 130	0
Mrs J Scanlan (Director of Operations)	90 - 95	0	85 - 90	0
Ms L Shadford (Head of Finance)	50 - 55	0	50 - 55	0
Ms R Smith (Commercial Director) (d)	70 - 75	0	15 - 20	0
Mr R Nicholls (Commissioner; non-executive to 30 Sept 2008) (e)	0	0	20 - 25	0

(a) Appointed from 5 February 2009

(b) Appointed from 1 October 2008

(c) Resigned with effect from 31 March 2010

(d) Appointed from 12 January 2009. Ms Smith works on a part time basis, for four full days per week

(e) Resigned with effect from 31 December 2008

None of these people received benefits in kind in the period.

## Pension benefits

The Chair, Non-executive Directors and Commissioners are non-executive members and as such their remuneration is not pensionable. Executive staff are members of the standard NHS pension scheme and details are shown below; these figures are for the full year unless stated otherwise:

	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at age 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2010 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2010 (bands of £5,000)	Cash equivalent transfer value at 31 March 2010	Cash equivalent transfer value at 31 March 2009	Real increase in cash equivalent transfer value (full year)	Employer's contribution to growth in cash equivalent transfer value
Name	£000	£000	£000	£000	£000	£000	£000	£000
Ms A Sutcliffe (a)	0 - 2.5	2.5 - 5	10 - 15	40 - 45	264	204	49	34
Mrs J Scanlan	0 - 2.5	0 - 2.5	30 - 35	90 - 95	612	553	32	22
Ms L Shadford	0 - 2.5	0 - 2.5	10 - 15	30 - 35	202	169	24	17
Ms R Smith	0 - 2.5	0	0 - 5	0	14	2	11	8

(a) Pension valuations for Ms Sutcliffe at 31 March 2009 were revised by the pensions agency when 31 March 2010 figures were being prepared.

Further details of the pension scheme can be found in note 1.8 to the accounts.

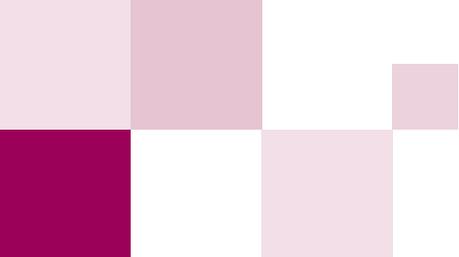
The Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a specific date. The benefits valued are the member's accrued benefits and any partner's benefit payable by the scheme. A CETV represents the payment that would be made by the pension scheme to another scheme or arrangement if the member leaves the current scheme and chooses to transfer their accrued benefit to another scheme. The values shown relate to benefits that have accrued throughout an individual's total membership of the scheme, not just the period of this report or their period of service in this particular post. They may include benefits from a different pension scheme that have been transferred into the NHS scheme at some point. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and are provided to the Commission by the NHS Pension Agency.

The real increase in CETV reflects the increase in CETV effectively funded by the Commission as employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.



**Andrea Sutcliffe**  
Chief Executive

2 June 2010



## Statement of accounting officer's responsibilities

Under the Health Act 2006 and directions made thereunder by the Secretary of State with the approval of Treasury, the Appointments Commission is required to prepare a statement of accounts for each financial year in the form and on the basis determined by the Secretary of State, with the approval of Treasury. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Appointments Commission and of its net operating costs, recognised gains and losses, and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the *Government Financial Reporting Manual* and in particular to:

- observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;

- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on a 'going concern' basis.

The Secretary of State has appointed the Chief Executive as Accounting Officer of the Appointments Commission. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records, and for safeguarding the Commission's assets, are set out in the Non-Departmental Public Bodies Accounting Officer's Memorandum published by the Department of Health.

# Statement on internal control - year ended 31 March 2010

## 1. Scope of responsibility

As Accounting Officer I have responsibility for maintaining a sound system of internal control that supports the achievement of the Commission's policies, aims and objectives, whilst safeguarding the public funds and assets, including information, for which I am personally responsible. This is in accordance with the responsibilities assigned to me in the Accounting Officer's Memorandum and in Managing Public Money and in accordance with guidance issued concerning information governance.

I have a dual accountability both to the Board of the Commission and also to Parliament for the performance of the Commission's functions, meeting its statutory duties and for the stewardship of resources provided to the Commission. The Commission works closely with its sponsor branch at the Department of Health and there are arrangements in place with them for regular performance monitoring and review.

In making this statement of internal control I have reviewed the documentation for the whole of the relevant period, including internal audit reports, and consulted external auditors.

## 2. The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of departmental policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in the Appointments Commission for the year ended 31 March 2010 and up to the date of approval of the annual report and accounts and accords with Treasury guidance.

## 3. Capacity to handle risk

As the Chief Executive and Accounting Officer I am ultimately accountable for all risks of the Commission and responsible for taking the lead in the risk management process and having in place effective systems of risk management and internal control.

The core business of the Commission is making public appointments. It has standardised procedures designed to make appointments in an open and transparent way and to manage the risk associated with the process. These procedures are based on the Code of Practice issued by the Commissioner for Public Appointments and are subject to audit carried out by auditors working on her behalf. A new Code of Practice came into effect on 1 August 2009. In response to this we have highlighted the changes in the code, updated our policies and procedures and trained staff. We also closely managed the transition period during which some campaigns were running under the old code and some under the new. One aspect of the new code is that I am now required to complete an annual compliance statement to the

Commissioner for Public Appointments to confirm that all relevant appointments have complied with her code.

In addition, procedures are regularly updated in the light of suggested improvements, issues or complaints arising or as the result of audit recommendations. The Commission's Policy Committee, which I chair, meets regularly to discuss and approve policies which are then incorporated into standard operating procedures.

The Commission maintains a risk register which is updated in full each month by the senior team and reviewed as a standard item at every senior team meeting, together with a review of issues and incidents. The full register is considered at each Audit Committee meeting and progress on all high level risks is reported to every Board meeting, or more frequently if required. The risk register is accessible to all staff. A copy is regularly provided to the Commission's sponsor team at the Department of Health and discussed at review meetings. Managers are required to consider risk as part of the preparation of the business plan and during development of operational plans.

During the year, as part of the business planning process, a risk workshop was held for managers and Audit Committee members at which the content of the risk register was fully reviewed and re-focused so that it more closely ties in with the objectives in the 2010/11 business plan.

Specific major projects, such as the IT project that has been in progress during the year, maintain their own risk registers and project management structures. Content of these registers is amalgamated with the main register for reporting purposes.

We are also introducing a risk assessment process for individual appointments campaigns, focussing on specific risk factors and actions that might therefore be required.

## 4. The risk and control framework

As Chief Executive I have ultimate responsibility for risk management in the Commission and ensure that the Commission has in place effective systems of risk management and internal control.

On behalf of the Board the Audit Committee reviews the establishment and maintenance of an effective system of internal control and risk management. The Committee reviews the adequacy of all risk and control related disclosure statements, together with any accompanying Internal Audit statements, prior to endorsement by the Board.

Other regular reports, such as performance indicators, balanced score card and summaries of complaints are produced for the senior team meetings, Board meetings and for discussion at quarterly performance meetings with the Commission's sponsor branch from the Department of Health.

I also produce a Chief Executive's report for each Board meeting which summarises progress across the entirety of the Commission's operations and also circulate a weekly update on emerging issues to staff, Commissioners and Board members.

Last year I noted that there had been some particular issues around the project management of the IT upgrade during 2008/2009 that had led to slippage in the expected timescale for implementation of the project. Internal audit reviewed these arrangements and made a number of recommendations designed to strengthen our project management approach and during 2009/2010, we have taken a number of measures to address these weaknesses. These measures have included the appointment of a dedicated project manager, the secondment of the Head of Recruitment and Selection Services to lead the business development of the new system, a newly established Project Board which I chair, regular progress reports and weekly project team meetings. These new arrangements have meant that when problems have arisen they have been dealt with effectively with the appropriate involvement of senior staff and good liaison with the supplier.

Learning from this experience, the Commission has established a more rigorous project management approach towards other major pieces of work, such as the review of the advertising contract, and has also run project management training for senior staff.

The development of our online recruitment system has given us the opportunity to review our key operational processes and to consider fully the operational and data security risks that need to be managed within the new system.

In their annual financial systems review our internal auditors identified a number of weaknesses in the controls relating to the Commission's outsourced financial services provider. These related in part to procedures within the service provider and also to our oversight and control of the service agreement between us. These issues did not result in substantive errors but have led us to require improvements from our service provider and to review and improve how we monitor service standards. We and our financial services provider are both committed to improving communications and I believe these arrangements will resolve the issues identified.

We are developing our existing complaints procedures to ensure that lessons learned from complaints received are incorporated quickly and effectively into our policies and procedures. As our activity with other government departments increases we are reviewing the complaints procedure to ensure that we are handling all issues effectively.

The senior team is responsible for ensuring that risk assessment is a continuous and regular process within the Commission. Managers are also responsible for developing both their own and their staff members' awareness of, and response to, risk. Staff are familiar with all relevant Commission policies and procedures designed to minimise risk. If staff see a risk or problem they are expected to take responsibility for dealing with the issue or reporting it to the appropriate person.

Risks are identified in a variety of ways, including by general and ongoing review of operations, evaluation of new opportunities and developments and by assessment of complaints and incidents. When items are added to the risk register their relative likelihood and potential impact are assessed and then these assessments are reviewed by the senior team on at least a monthly basis, and more frequently if appropriate. The risk register also summarises actions taken to mitigate identified risks. Risks are also re-assessed in conjunction with the preparation and monitoring of the annual business plan.

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer contributions and payments into the Scheme are in accordance with Scheme rules, and that member pension scheme records are accurately updated in accordance with the timescales detailed in regulations.

## 5. Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and managers within the Commission who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and the senior management team, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

My review is informed in a number of ways. The head of internal audit provides me with an opinion on the overall arrangements for gaining assurance and on the controls reviewed as part of the internal audit work. Senior managers within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance.

There have been no significant internal control issues at the Commission during the year, other than those outlined above.

I am not aware of any incidents during the year related to loss or unauthorised disclosure of protected personal data.

My review is also informed by reports made by external auditors and by the reviews and reports from the Commissioner for Public Appointments and her auditors. In addition the Commission's complaints procedure ensures that I am aware of particular issues that may be arising and that need acting upon.

The Audit Committee on behalf of the Board maintains an overview of the risk register and of the overall progress that is being made in improving internal controls.

As a relatively small organisation I have a high degree of contact with staff and clients and am aware through informal systems as well as via the formal reporting structures of particular issues that may be arising. I have personal involvement in the response to all complaints so am aware of any issues arising from them. Due to the size of the Commission reaction to events and changes to internal controls can be made without delay when necessary and therefore I can have assurance that issues are being addressed effectively.



**Andrea Sutcliffe**  
Chief Executive

2 June 2010

# The certificate and report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements of the Appointments Commission for the year ended 31 March 2010 under the Health Act 2006. These comprise the Net Expenditure Account, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

## Respective responsibilities of the Chief Executive and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Chief Executive as Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Appointments Commission's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Appointments Commission; and the overall presentation of the financial statements.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

## Opinion on Regularity

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

## Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Appointments Commission's affairs as at 31 March 2010 and of its net expenditure, changes in taxpayers' equity and cash flows for the year then ended; and

- the financial statements have been properly prepared in accordance with the Health Act 2006 and Secretary of State directions issued thereunder.

## Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Health Act 2006; and
- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records or returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Statement on Internal Control does not reflect compliance with HM Treasury's guidance.

## Report

I have no observations to make on these financial statements.

## Amyas C E Morse

Comptroller and Auditor General  
National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

8 June 2010



**Financial statements**  
2009-2010

## Net Expenditure Account for the year ended 31 March 2010

	Notes	31 March 2010 £000	31 March 2009 £000
<b>Expenditure</b>			
Staff costs	4	2,301	1,875
Depreciation	5	172	18
Other Expenditures	5	3,801	3,998
		<b>6,274</b>	<b>5,891</b>
<b>Income from activities</b>	7	<b>(2,746)</b>	<b>(2,023)</b>
<b>Net expenditure</b>		<b>3,528</b>	<b>3,868</b>

*The notes on pages 33 to 45 form part of these accounts.*

## Statement of Financial Position as at 31 March 2010

	Notes	31 March 2010 £000	31 March 2009 £000	1 April 2008 £000
<b>Non-current assets:</b>				
Property, plant and equipment	8.1	342	285	92
Intangible assets	8.2	298	154	0
<b>Total non-current assets</b>		<b>640</b>	<b>439</b>	<b>92</b>
<b>Current assets:</b>				
Trade and Other Receivables	10	1,229	1,133	736
Cash and cash equivalents	11	505	319	132
<b>Total current assets</b>		<b>1,734</b>	<b>1,452</b>	<b>868</b>
<b>Total assets</b>		<b>2,374</b>	<b>1,891</b>	<b>960</b>
<b>Current Liabilities</b>				
Trade and other payables	12	(1,469)	(1,365)	(974)
Provisions	13	(70)	(40)	(40)
<b>Total current liabilities</b>		<b>(1,539)</b>	<b>(1,405)</b>	<b>(1,014)</b>
<b>Non-current assets plus net current assets</b>		<b>835</b>	<b>486</b>	<b>(54)</b>
<b>Non-current liabilities</b>				
Provisions	13	0	(45)	(40)
<b>Total non-current liabilities</b>		<b>0</b>	<b>(45)</b>	<b>(40)</b>
<b>Assets less liabilities</b>		<b>835</b>	<b>441</b>	<b>(94)</b>
<b>Taxpayers equity</b>				
General reserve		822	428	(107)
Revaluation reserve		13	13	13
		<b>835</b>	<b>441</b>	<b>(94)</b>

The notes on pages 33 to 45 form part of these accounts.



**Andrea Sutcliffe**  
Chief Executive

2 June 2010

## Statement of Cash Flows for the year ended 31 March 2010

	Notes	31 March 2010 £000	31 March 2009 £000
<b>Cash flows from operating activities</b>			
Net operating costs		(3,528)	(3,868)
Adjustment for cost of capital charges		184	21
Increase in trade and other receivables		(96)	(397)
Increase in trade and other payables		270	128
Use of provisions		(15)	5
<b>Net cash flows from operating activities</b>		<b>(3,185)</b>	<b>(4,111)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(365)	0
Purchase of intangible assets		(174)	(102)
<b>Net cash outflow from investing activities</b>		<b>(539)</b>	<b>(102)</b>
<b>Cash flows from financing activities</b>			
Grants from Department of Health		3,910	4,400
<b>Increase in cash and cash equivalents in the year</b>		<b>186</b>	<b>187</b>
<b>Cash and cash equivalents at 31 March 2009</b>		<b>319</b>	<b>132</b>
<b>Cash and cash equivalents at 31 March 2010</b>	11	<b>505</b>	<b>319</b>

*The notes on pages 33 to 45 form part of these accounts.*

## Statement of Changes in Taxpayers' Equity for the year ended 31 March 2010

	General Fund £000	Revaluation Reserve £000	Total £000
<b>Balance at 31 March 2008</b>	(80)	13	<b>(67)</b>
Effect of changes under International Financial Reporting Standards	(27)		<b>(27)</b>
<b>Restated Balance at 1 April 2008</b>	<u>(107)</u>	<u>13</u>	<u><b>(94)</b></u>
<b>Changes in taxpayers equity for 2008/09</b>			
Cost of capital - non cash charges	3	0	<b>3</b>
Net operating costs for the year	(3,868)		<b>(3,868)</b>
<b>Total recognised income and expense for 2008/09</b>	<u>(3,865)</u>	<u>0</u>	<u><b>(3,865)</b></u>
<b>Net Parliamentary funding from Dept of Health</b>	4,400		<b>4,400</b>
<b>Balance at 31 March 2009</b>	<u>428</u>	<u>13</u>	<u><b>441</b></u>
<b>Changes in taxpayers equity for 2009/10</b>			
Cost of capital - non cash charges	12	0	<b>12</b>
Net operating costs for the year	(3,528)		<b>(3,528)</b>
<b>Total recognised income and expense for 2009/10</b>	<u>(3,516)</u>	<u>0</u>	<u><b>(3,516)</b></u>
<b>Net Parliamentary funding from Dept of Health</b>	3,910		<b>3,910</b>
<b>Balance at 31 March 2010</b>	<u>822</u>	<u>13</u>	<u><b>835</b></u>

The notes on pages 33 to 45 form part of these accounts.

## Notes to the Accounts

### 1 Accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted and interpreted in the Government Financial Reporting Manual (FRoM) issued by HM Treasury. The accounting policies contained in the FRoM comply with IFRS as adapted or interpreted for the public sector. The accounting policies adopted by the Commission are described below. They have been consistently applied in dealing with items considered material in relation to the accounts.

IFRS have been fully adopted this year and therefore there are changes in the presentation of the statements since last year. Some of the comparative figures have been restated to reflect the change of standards and further details can be found in note 2.

#### 1.1 Accounting conventions

These accounts have been prepared under the historical cost convention, modified to account for the revaluation of property, plant and equipment.

#### 1.2 Income

The main source of funding for the Commission is Parliamentary grant from the Department of Health within an approved cash limit, which is credited to the general fund. Parliamentary funding is recognised in the financial period in which it is received. Other income is accounted for applying the accruals convention.

Operating income is income which relates directly to the operating activities of the Commission. It principally comprises fees and charges for services provided to external customers. These include appointment campaigns run for external bodies and charges to NHS organisations to support the Commission's development programme for non-executives. Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

#### 1.3 Taxation

The Commission is not liable to pay corporation tax. Expenditure is shown net of recoverable VAT. Irrecoverable VAT is charged to the most appropriate expenditure heading or capitalised if it relates to an asset.

#### 1.4 Capital charges

A charge to reflect the cost of capital used is included within operating costs. The rate applied in the period to the average carrying amount of assets less liabilities, excluding cash, was 3.5% (2008-09 3.5%).

#### 1.5 Property, Plant & Equipment

Expenditure on property, plant and equipment of £5,000 or more is capitalised. Initially assets are measured at cost, including any directly attributable costs of bringing them to working condition. Items are reviewed annually for impairment and carried at fair value.

These assets are depreciated at rates calculated to write them down to their estimated residual value over their estimated useful lives.

The Commission uses the following asset lives in calculating depreciation:

Computer hardware	5 years
Furniture, fixtures and fittings	10 years

#### 1.6 Intangible Assets

Expenditure on intangible assets (software) of £5,000 or more is capitalised. Initially assets are measured at cost, including any directly attributable implementation costs. Items are reviewed annually for impairment and carried at fair value.

Software is amortised on a straight line basis over the estimated useful economic life of five years. Development costs of the e-recruitment software have been amortised from the point of the acquisition of the original off-the-shelf product as they are judged to be enhancements of the initial purchase, this effectively treats the project as a single asset.

#### 1.7 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the Commission or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures.

Losses and special payments are charged to the relevant functional headings in the expenditure account on an accruals basis. However, note 18 is compiled directly from the losses and compensations register which is prepared on a cash basis.

#### 1.8 Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions).

The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the Commission of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The scheme is subject to a full actuarial valuation every four years (until 2004, every five years) and an accounting valuation every year. An outline of these follows:

##### a) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates to be paid by employers and scheme members. The last such valuation, which determined current contribution rates was undertaken as at 31 March 2004 and covered the period from 1 April 1999 to that date. The conclusion from the 2004 valuation was that the scheme had accumulated a notional deficit of £3.3 billion against the notional assets as at 31 March 2004.

In order to defray the costs of benefits, employers pay contributions at 14% of pensionable pay and most employees had up to April 2008 paid 6%, with manual staff paying 5%.

Following the full actuarial review by the Government Actuary undertaken as at 31 March 2004, and after consideration of changes to the NHS Pension Scheme taking effect from 1 April 2008, his Valuation report recommended that employer contributions could continue at the existing rate of 14% of pensionable pay, from 1 April 2008, following the introduction of employee contributions on a tiered scale from 5% up to 8.5% of their pensionable pay depending on total earnings. On advice from the scheme actuary, scheme contributions may be varied from time to time to reflect changes in the scheme's liabilities.

##### b) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting

period by updating the results of the full actuarial valuation. Between the full actuarial valuations at a two-year midpoint, a full and detailed member data-set is provided to the scheme actuary. At this point the assumptions regarding the composition of the scheme membership are updated to allow the scheme liability to be valued.

The valuation of the scheme liability as at 31 March 2010, is based on detailed membership data as at 31 March 2008 (the latest midpoint) updated to 31 March 2010 with summary global member and accounting data.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

#### c) **Scheme provisions**

In 2008-09 the NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

##### **Annual Pensions**

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as 'pension commutation'.

##### **Pensions Indexation**

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year.

##### **Lump Sum Allowance**

A lump sum is payable on retirement which is normally three times the annual pension payment.

##### **Ill-Health Retirement**

Early payment of a pension, with enhancement in certain circumstances, is available to members of the Scheme who are permanently incapable of fulfilling their duties or regular employment effectively through illness or infirmity.

##### **Death Benefits**

A death gratuity of twice their final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

##### **Additional Voluntary Contributions (AVCs)**

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

##### **Transfer between Funds**

Scheme members have the option to transfer their pension between the NHS Pension Scheme and another scheme when they move into or out of NHS employment.

##### **Preserved Benefits**

Where a scheme member ceases NHS employment with more than two years service they can preserve their accrued NHS pension for payment when they reach retirement age.

##### **Compensation for Early Retirement**

Where a member of the Scheme is made redundant they may be entitled to early receipt of their pension plus enhancement, at the employer's cost.

#### **1.9 Provisions**

The Commission provides for legal or constructive obligations that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

##### **1.10 Operating Leases**

Rentals under operating leases are charged to the expenditure account over the term of the lease.

##### **1.11 Staff Costs**

All staff costs must be recorded as an expense as soon as the Commission is obligated to pay them. This includes the cost of untaken leave at the year end, for which an accrual is made.

##### **1.12 Financial Instruments**

IFRS7, Financial Instruments Disclosures, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the way Arms Length Bodies are financed, the Commission is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies. The Commission has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks faced in undertaking its activities.

##### **Liquidity risk**

The net operating assets are financed from resources voted annually by Parliament. The Commission finances its capital expenditure from funds made available from Government under an agreed limit. The Commission is therefore not exposed to significant liquidity risks.

##### **Interest rate risk**

All of the financial assets and liabilities carry nil rates of interest. The Commission is therefore not exposed to significant interest rate risk.

##### **Foreign currency risk**

There is no exposure to foreign currency risk. Fair values - Fair values are not significantly different from book values and therefore no additional disclosure is required.

##### **1.13 International Financial Reporting Standards**

All IFRS standards, interpretations and amendments to published standards effective at 31/3/10 have been adopted for the first time in these financial statements, taking into account the specific interpretations and adaptations included within the FREM. Other standards such as IAS 24 (Related Party Transactions) and IFRS 9 (Financial Instruments: Classification and Measurement) which have been issued but are not yet effective have not been early adopted by the Commission.

## 2. First-time adoption of International Financial Reporting Standards (IFRS)

	General Fund £000	Revaluation Fund £000
Taxpayers' equity at 31 March 2009 under UK Generally Accepted Accounting Practice (GAAP)	460	13
Adjustment for staff leave accrual	(32)	0
Taxpayers' equity at 1 April 2009 under IFRS	<u>428</u>	<u>13</u>
Net Expenditure for 2008/09 under UK GAAP	3,863	
Adjustment for increase in staff leave accrual	5	
Net Expenditure for 2008/09 under IFRS	<u>3,868</u>	

## 3. Analysis of Net Expenditure by Segment

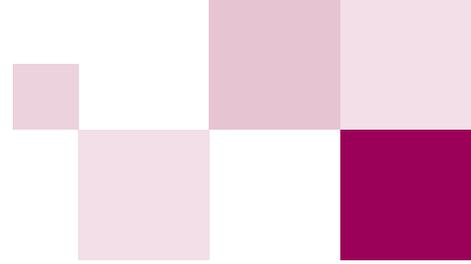
	Total expenditure £000	Income £000	Net Expenditure £000
Promoting appointments, providing a recruitment service to statutory NHS clients	2,381	0	2,381
Promoting appointments, providing a recruitment service to fee paying clients	2,450	2455	(5)
Policy work and statutory appointments functions	830	0	830
Equipping appointees to work effectively	613	291	322
<b>Total</b>	<u>6,274</u>	<u>2,746</u>	<u>3,528</u>

Business segments are defined in relation to the Commission's main operational activities.

The Commission provides recruitment services to both statutory and fee paying clients, and the costs of these, and associated allocated overheads are shown as the first two segments above. Services to statutory NHS clients are funded by the grant in aid allocation.

In addition, the Commission makes appointments for statutory NHS clients and some Department of Health fee paying clients. The costs of these appointment functions are shown as a separate activity segment. Costs included under this heading also include the policy and governance support and advice provided to the Department of Health.

Activities carried out to support appointees to work effectively, both in terms of induction and then ongoing support, are shown as the final segment of the Commission's work. Induction of new appointees is funded by a fee charged to organisations, primarily NHS trusts. Ongoing support, such as appraisal and conferences, are funded by the grant in aid.



#### 4. Staff numbers and related costs

Staff costs comprise:

	31 March 2010 Total £000	Permanently employed staff £000	Other £000	31 March 2009 £000
Salaries and wages	1,818	1,818	0	1,384
Social security costs	158	158	0	145
Other pension costs	217	217	0	166
Staff seconded from Dept of Health	0	0	0	20
Agency staff	108	0	108	160
	<u>2,301</u>	<u>2,193</u>	<u>108</u>	<u>1,875</u>

Eligible employees are members of the NHS Pension Scheme, details of the scheme can be found in note 1.8

The average number of whole time equivalent employees during the year was:

	Total	Permanently employed staff	Other	31 March 2009
Total	<u>61</u>	<u>58</u>	<u>3</u>	<u>52</u>

#### Retirements due to ill-health

During the year there were no early retirements from the Commission on the grounds of ill-health.

## 5. Other Expenditure

	Notes	31 March 2010 £000	31 March 2009 £000
Advertising & promotion of vacancies		1,524	1,974
Establishment expenses		467	442
External contractors		362	359
Costs of interviews		334	306
Training and Induction events		311	208
Outsourced support services		273	189
Commissioner and Non-executive remuneration		268	258
Rentals under operating leases		120	113
Premises and fixed plant		97	116
Auditor's remuneration: Audit fees *		23	28
Non cash items			
Capital charges interest		12	3
Provisions		(15)	5
Supplies and services - general		0	3
Impairment of debtors		25	(6)
		<b>3,801</b>	<b>3,998</b>
Non cash items			
Depreciation	8.1, 8.2	172	18
		<b>3,973</b>	<b>4,016</b>

\* The Commission did not make any payments to Auditors for non audit work.

### Payment of suppliers

The Commission aims to pay invoices within 30 days. Performance against this target was as follows:

	Number	£000
Total bills paid in year to 31 March 2010	1,787	4,386
Total bills paid within target	1,577	3,977
Percentage of bills paid within target	<b>88.2%</b>	<b>90.7%</b>
Total bills paid in year to 31 March 2009	2,353	4,254
Total bills paid within target	1,995	3,668
Percentage of bills paid within target	<b>84.8%</b>	<b>86.2%</b>

No interest was paid under the Late Payment of Commercial Debts (Interest) Act 1998 legislation.

## 6. Financing

### Reconciliation of net expenditure to finance received from the Department of Health

	31 March 2010 £000	31 March 2009 £000
Net expenditure	3,528	3,868
Financing Received from Department of Health	3,950	4,115
Underspend against revenue resource limit	<u>422</u>	<u>247</u>

### Reconciliation of gross capital expenditure to capital funding received

	31 March 2010 £000	31 March 2009 £000
Gross capital expenditure	372	365
NBV of assets disposed	0	0
Net capital resource outturn	<u>372</u>	<u>365</u>
Capital resource limit	<u>500</u>	<u>500</u>
Underspend against limit	<u>128</u>	<u>135</u>

## 7. Income from activities

Operating income analysed by classification and activity, is as follows:

	31 March 2010 £000	31 March 2009 £000
Income from recruitment and selection activities	2,455	1,814
Income from induction activities	291	209
<b>Total</b>	<u>2,746</u>	<u>2,023</u>

## 8. Non current assets

### 8.1 Property, plant & equipment

	Information Technology £000	Furniture & fittings £000	Total £000
Cost or Valuation at 31 March 2009	599	144	743
Additions - purchased	155	0	155
Disposals	(369)	0	(369)
<b>Gross cost at 31 March 2010</b>	<b>385</b>	<b>144</b>	<b>529</b>
Accumulated depreciation at 31 March 2009	373	85	458
Charged during the period	77	21	98
Disposals	(369)	0	(369)
<b>Accumulated depreciation at 31 March 2010</b>	<b>81</b>	<b>106</b>	<b>187</b>
Net book value:			
Total at 31 March 2009	226	59	285
<b>Net book value:</b>			
<b>Total at 31 March 2010</b>	<b>304</b>	<b>38</b>	<b>342</b>
Cost or Valuation at 31 March 2008	388	144	532
Additions - purchased	211	0	211
Disposals	0	0	0
<b>Gross cost at 31 March 2009</b>	<b>599</b>	<b>144</b>	<b>743</b>
Accumulated depreciation at 31 March 2008	369	71	440
Charged during the period	4	14	18
Disposals		0	0
<b>Accumulated depreciation at 31 March 2009</b>	<b>373</b>	<b>85</b>	<b>458</b>
Net book value:			
Total at 31 March 2008	19	73	92
<b>Net book value:</b>			
<b>Total at 31 March 2009</b>	<b>226</b>	<b>59</b>	<b>285</b>

There are no assets held under finance leases or PFI contracts and therefore there has been no depreciation charged for such assets.

## 8.2 Intangible assets

	Information Technology £000	Total £000
Gross cost at 31 March 2009	173	173
Additions - purchased	218	218
Disposals	(19)	(19)
<b>Gross cost at 31 March 2010</b>	<b>372</b>	<b>372</b>
Accumulated amortisation at 31 March 2009	19	19
Charged during the period	74	74
Disposals	(19)	(19)
<b>Accumulated amortisation at 31 March 2010</b>	<b>74</b>	<b>74</b>
Net book value:		
Total at 31 March 2009	154	154
<b>Net book value:</b>		
<b>Total at 31 March 2010</b>	<b>298</b>	<b>298</b>
Gross cost at 31 March 2008	19	19
Additions - purchased	154	154
<b>Gross cost at 31 March 2009</b>	<b>173</b>	<b>173</b>
Accumulated amortisation at 31 March 2008	19	19
Charged during the period	0	0
<b>Accumulated amortisation at 31 March 2009</b>	<b>19</b>	<b>19</b>
Net book value:		
Total at 31 March 2008	0	0
<b>Net book value:</b>		
<b>Total at 31 March 2009</b>	<b>154</b>	<b>154</b>

## 9. Financial instruments

The Commission's resources are met through Grant in Aid provided by the Department of Health and from income for work carried out for NHS, Department of Health and other government bodies.

The Commission has no powers to borrow money or to invest surplus funds. Other than financial assets and liabilities which are generated by day-to-day operational activities the Commission holds no financial instruments. The Commission is therefore exposed to little credit, liquidity or market risk.

## 10. Trade receivables and other current assets

### Amounts falling due within one year

	31 March 2010 £000	31 March 2009 £000	1 April 2008 £000
Trade receivables	1,121	1,021	648
Prepayments	37	36	0
Accrued income	109	152	138
Other receivables	0	0	32
	<u>1,267</u>	<u>1,209</u>	<u>818</u>
Provision for impairment of receivables	(38)	(76)	(82)
	<u>1,229</u>	<u>1,133</u>	<u>736</u>

The accrued income relates to national campaigns carried out by the Commission which are in progress at the year end. They are charged to clients upon completion.

The Commission had no receivables due after more than one year (31 March 2009: none)

## 11. Cash and cash equivalents

	2009/10 £000	2008/09 £000
Balance at 1 April	319	132
Net change in cash balances	186	187
Balance at 31 March	<u>505</u>	<u>319</u>

## 12. Trade payables and other current liabilities

### Amounts falling due within one year

	31 March 2010 £000	31 March 2009 £000	1 April 2008 £000
Trade payables	423	114	314
Capital payables	97	263	0
Tax and social security	84	74	68
VAT	158	81	0
Accruals & Deferred income	707	833	592
	<u>1,469</u>	<u>1,365</u>	<u>974</u>

Deferred income of £415k relates to amounts collected specifically for the training programme but which are required to fund activities planned to occur in the following period.

There are no amounts falling due after more than one year.

## 13. Provisions for liabilities and charges

	Legal £000	Other £000	Total £000
At 1 April 2008	40	40	80
Arising during the year	40	5	45
Utilised during the year	(3)	0	(3)
Reversed unused	(37)	0	(37)
<b>At 31 March 2009</b>	<u>40</u>	<u>45</u>	<u>85</u>
Arising during the year	20	5	25
Utilised during the year	(7)	0	(7)
Reversed unused	(33)	0	(33)
<b>At 31 March 2010</b>	<u>20</u>	<u>50</u>	<u>70</u>
Expected timing of cash flows:			
In the remainder of the spending review period to 2011	20	50	70
Between 2011 and 2016	0	0	0
After 2016	0	0	0

The legal provision relates to an amount for the rent review and associated professional costs that was contractually due in June 2009 but is still pending with the landlord.

The other provision is based on regular decoration work required under the terms of the lease of the Commission's office. Consequently a sum is provided during each year of the lease towards this cost.

#### 14. Contingent liabilities

During the year the Cabinet Secretary agreed that government departments should provide indemnity cover to Independent Public Appointment Assessors (IPAA) involved in the public appointments process. The Appointments Commission now provides this indemnity for all IPAA involved in its delegated appointments. There are currently no known financial implications of this indemnity.

#### 15. Capital commitments

At 31 March 2010 there were no capital commitments (31 March 2009: £222k).

#### 16. Commitments under leases

Expenses of the Commission include the following in respect of hire and operating lease rentals (excluding VAT):

	31 March 2010 £000	31 March 2009 £000
Hire of plant and machinery	6	6
Other operating leases	93	93
	<u>99</u>	<u>99</u>

Commitments under non-cancellable operating leases:

Commitments under operating leases to pay rentals during the year following 31 March 2010 are given in the table below, analysed according to the period in which the lease expires. A rent review is due, effective from June 2009, but has not yet been agreed with the landlord.

	31 March 2010 £000	31 March 2009 £000
<b>Land and buildings</b>		
Operating leases which expire:		
within 1 year	0	0
between 1 and 5 years	93	0
after 5 years	0	93
	<u>93</u>	<u>93</u>
<b>Other leases</b>		
Operating leases which expire:		
within 1 year	1	1
between 1 and 5 years	5	4
after 5 years	0	0
	<u>6</u>	<u>5</u>

The Commission has no expenditure or commitments under finance leases.

## 17. Other financial commitments

The Commission has entered into non-cancellable contracts (which are not operating leases or PFI contracts) for the provision of support services. The annual payments to which the Commission is committed, analysed by the period during which the commitment expires are as follows:

	At 31/3/10 £000	At 31/3/09 £000
Not later than one year	28	0
Later than one year, not later than five years	122	122

## 18. Losses and special payments

There was one special payment of £10,000 during the year (Year ended 31 March 2009: none)

## 19. Related parties

The Commission is a body corporate established by order of the Secretary of State for Health.

The Department of Health is regarded as a controlling related party. During the year the Commission has had the following material transactions with the Department.

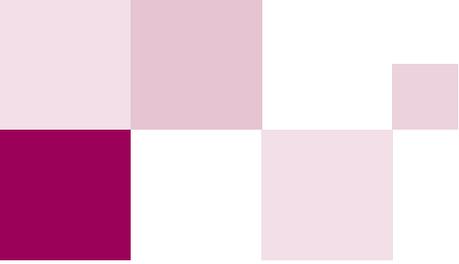
The Commission has carried out recruitment campaigns for national bodies on behalf of the Department of Health and other DH bodies during the year. The costs associated with these campaigns are recharged upon completion of the campaign and totalled £1,079k for the year (2008/09 £1,144k).

Andrea Sutcliffe's husband is a Director of the NHS Confederation. The Commission has membership of the Confederation and also works with them on a number of projects for the wider NHS community, such as the annual conferences for Chairs and non-executives and the provision of training materials for appointees. During 2009/2010 the Commission had expenditure of £106,000 with the NHS Confederation.

## 20. Post balance sheet events

Since the balance sheet date a new coalition Government has been elected and has announced its high level plans, such as a proposal to change the establishment of PCT boards. As of the date of authorisation of the accounts on 8 June 2010 the detailed policy of the new government and its implications for the work of the Commission have not been clarified.

As appropriate details become available the Commission will be reviewing its strategic and business plans to ensure that they support the policies of the new administration and the Department of Health. This is not considered to have an impact on the going concern assumption of the Commission that underlies these accounts (31 March 2009: None).



## 21. Inter-Government balances

	Receivables: Amounts falling due within 1 year £000	Payables: Amounts falling due within 1 year £000
<b>31 March 2010</b>		
Balances with other central government bodies	830	242
Balances with NHS Trusts	362	452
Balances with bodies external to government	37	775
	<u>1,229</u>	<u>1,469</u>
<b>31 March 2009</b>		
Balances with other central government bodies	836	197
Balances with NHS Trusts	261	379
Balances with bodies external to government	36	789
	<u>1,133</u>	<u>1,365</u>

# Appendix 1 – The Board and Appointments Commissioners

## The Board and Health and Social Care Commissioners

The Board of the Appointments Commission as at 31 March 2010	
Chair	Anne Watts CBE
Chief Executive	Andrea Sutcliffe
Non-executive Director	David Cain
Non-executive Director	Jill Robertson
Non-executive Director	Margaret Scott
Non-executive Director	Betty Thayer
Director of Operations	Janice Scanlan
Commercial Director	Rhiannon Smith
Head of Finance	Lynn Shadford
Health and Social Care Commissioners as at 31 March 2010	
South West	Penny Bennett
East of England and East Midlands	Gareth Hadley
North East and Yorkshire and the Humber	Miranda Hughes
London	Ann Lloyd CBE
South Central and South East Coast	Margaret Scott
North West and West Midlands	Mike Taylor CBE TD DL

### Chair – Anne Watts CBE

Anne is a leading figure in diversity, recruitment and workplace development issues, and has a strong track record across the private, public and voluntary sectors. Anne has held executive roles within Business in the Community, HSBC and Natwest. Alongside her role as Chair, she also serves on a number of other boards including Greater London Enterprise, Opportunity Now. Additionally, she is at trustee of Eve Appeal, Patron of the charity Thatu and Vice Patron of Working Families. She currently holds a ministerial appointment as a member of the School Teachers Review Body and is currently working with the Army on a review of equality, and London Councils on councillor expenses. Anne has declared that she is not politically active.

### Chief Executive – Andrea Sutcliffe

Andrea has a wealth of experience from over 20 years in the health service and local government. Her career has focused on general and resource management, notably in community and acute services for older people, women and children, and Social Services within the London Borough of Camden. Prior to joining the Appointments Commission, Andrea held the role of Deputy Chief Executive and Planning and Resources Director for the National Institute for Health and Clinical Excellence (NICE). Andrea was a member of the National Leadership Council Board Development Steering Group that produced *The Healthy NHS Board: Principles for Good Governance* and played a key role in its development.

### Non-executive Director and Audit Committee Chair – David Cain

Following an extensive career in finance, David joined the Commission as a non-executive director, and Audit Committee Chair, in 2007. A chartered accountant, David has held roles within both the private and public sectors, including Deloitte and Touche and the now dissolved Forest Healthcare NHS Trust. David continues to work as a partner at DAP Consulting, his own firm and is also a non-executive director and Audit Chair of Director General Finance Audit Committee at the Ministry of Defence, the Chair of the Diocesan Boards of Finance at Exeter Diocese and Trustee of St Marks College, University of Exeter. David has declared that he is not politically active.

### Non-executive Director and Audit Committee Member – Jill Robertson

Jill joined the Board as a non-executive director in October 2008. Jill has held a number of corporate roles within the private sector, most recently as Chief Executive of three businesses within the Barkers Norman Broadbent Group. Past roles have included that of Managing Director of Healthcare Recruitment for Select Plc, and Strategic Marketing Director with Adecco UK Ltd. Jill currently provides business consultancy in the areas of strategy, marketing and management coaching. She is also a non-executive director of NHS Professionals. Jill has declared that she is not politically active.

# Appendix 1 – About the Commission & register of interest

## Non-executive Director and Commissioner for South Central and South East Coast – Margaret Scott

After an extensive career in the IT industry, Margaret gained varied experience in the NHS following appointments as Chair for Hampshire Ambulance Service, Portsmouth Healthcare NHS Trust and East Hampshire Primary Care Trust. Alongside her role as Commissioner, Margaret is currently Chair of Drum Housing Association and Vice-Chair of Governors for an independent school. Margaret has declared that she is not politically active.

## Non-executive Director and Audit Committee member – Betty Thayer

Betty joined the Board as a non-executive director in October 2008. Betty recently retired as Deputy Chair and Chief Executive Officer of Exec-Appointments Ltd, a company she founded in 2001 and has since been sold to the Financial Times. Following on from a career in strategic management consultancy, she is highly regarded within the recruitment industry and lectures internationally about the online recruitment industry. Betty's other roles include visiting lecturer on the non-executive director programme at the Cranfield School of Management and a member of the Advisory Board of the University of Bath School of Management. Betty has declared that she is not politically active.

## Deputy Chief Executive and Director of Operations – Janice Scanlan

Janice has had a long career in the civil service, and following many years working with the Department of Health in a variety of roles, was instrumental in setting up the Appointments Commission in 2001. Janice is highly regarded as an expert in public appointments, particularly the legislation surrounding them, and leads the Commission's recruitment and selection teams ensuring they deliver a professional and expert service.

## Commercial Director – Rhiannon Smith

Rhiannon joined the Appointments Commission in early 2009, bringing with her extensive expertise of non-executive appointments in central government and the private sector as well as a strong focus on service delivery. In 2004, Rhiannon was seconded to the Cabinet Office where she created and ran the Job Brokerage Unit for the Senior Civil Service. Previously Rhiannon was Group Head of Research for the Corporate Services Group plc, a FTSE 250 support services business with operations in the UK, continental Europe and the US.

## Head of Finance – Lynn Shadford

Lynn worked for a number of years as a private sector accountant, before going on to work within the audit and examination training departments of a large accountancy firm. Prior to joining the Appointments Commission in 2002, Lynn had worked in accountancy for a local Family Health Services Authority, Health Authority and Primary Care Trust.

## Commissioner for the South West – Penny Bennett

Penny joined the Commission in 2003 following a professional career as a solicitor in the private sector. Penny has experience of the health sector following Chair and non-executive director roles for the East Gloucestershire NHS Trust and the Avon, Gloucestershire and Wiltshire Strategic Health Authority. Alongside her role as Commissioner, Penny also serves on the board of the Hanover Housing Association and is Chair of their Audit Committee. Penny has declared that she is not politically active.

## Commissioner for the East of England and East Midlands – Gareth Hadley

Gareth is a well respected industry leader in the HR profession, recently specialising in the corrections sector. He has held board level positions with Her Majesty's Prison Service, the National Offender Management Service and was a non executive director Skills for Justice. Prior to this, Gareth spent much of his career in senior managerial positions in HR with British Rail and in London local government. Alongside his role as Commissioner, Gareth is a Visiting Fellow of Kingston University, a member of the advisory board of the South West London Academic Network's Institute of Leadership and Management in Health, and he continues to act as a consultant specialising in employee relations and HR. Gareth has declared that he is not politically active.

## Commissioner for the North East and Yorkshire & the Humber – Miranda Hughes

A chartered psychologist by profession, Miranda has held a range of public appointments in the education, health and criminal justice sectors. These include Chair for the West Yorkshire Probation Board, Chair for Connexions West Yorkshire and non-executive director at Leeds East Primary Care Trust. Following a career in management, Miranda established her own consultancy company. Alongside her role as Commissioner, Miranda is an Independent Chair for judicial appointment panels for the Judicial Appointments Commission. Miranda has declared that she is not politically active.

### Commissioner for London – Ann Lloyd CBE

Following a distinguished career in the health sector, Ann began her role as commissioner in early 2009. Prior to this, Ann held the joint position of Chief Executive of NHS Wales and Head of Department for Health and Social Services. She is a former Chief Executive of North Bristol NHS Trust and Frenchay NHS Trust. A Fellow of the Royal Society of Medicine and a Companion of the Institute of Health and Care Management, Ann was awarded a CBE in 2008 for services to healthcare in Wales. Currently, Ann is also a trustee of the Shaw Trust and of the University of Bristol Burden Institute. Ann has declared that she is not politically active.

### Commissioner for the North West and West Midlands - Mike Taylor CBE TD DL

Following a professional management career with Shell, both in the UK and overseas, Mike has held a number of public appointments across a variety of sectors, including Chair of the Council of Reserve Forces and Cadet Associations, West Chester Regeneration Board, and Chester Aid to the Homeless. Mike remains prominent in his local community as Chair of on the St Johns Ambulance Council for Cumbria and the Cumbria Army Benevolent Fund Committee, and is the Independent Chair for Cumbria Third Sector Network. He was awarded a CBE in 1992 for services to the Reserve Forces and is an Honorary Colonel Commandant of the Royal Regiment of Artillery. Mike has declared that he is not politically active.

### Board and Audit Committee meeting attendance

Possible and actual attendance by members at Board and Audit Committee meetings for the year were as follows:

Board Meetings		
	Possible	Actual
Anne Watts	6	6
Andrea Sutcliffe	6	6
David Cain	6	6
Jill Robertson	6	6
Margaret Scott	6	6
Betty Thayer (1)	6	2
Janice Scanlan	6	5
Rhiannon Smith	6	6
Lynn Shadford	6	6
Audit Committee		
David Cain	5	5
Jill Robertson	5	4
Betty Thayer	5	4

(1) Mrs Thayer was physically incapacitated and unable to attend a number of Board meetings but provided separate input to the meetings when possible.

### Register of Interests

The Commission maintains a Register of Interests which is available for public inspection.

To view the Register please telephone 0870 240 3801 or email [info@appointments.org.uk](mailto:info@appointments.org.uk).



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