

Appendix 1 - Current Guidance in Internal Governance Rules

Part 2: Appointments etc

(1) Processes in place for regulatory board members' appointments, reappointments, appraisals and discipline must be demonstrably free of undue influence from persons with representative functions.

A. All appointments to a regulatory board must be made on the basis of selection on merit following open and fair competition, with no element of election or nomination by any particular sector or interest groups.

If regulatory boards do not lead on managing the appointments process, it should have a very strong involvement at all stages.

Best practice for public appointments should be taken into account. In particular, account should be taken of the Code of the Commissioner of Public Appointments insofar as relevant.

B. The selection of persons so appointed must itself respect the principle of regulatory independence and the principles relating to "appointments etc" set out in this Part of this Schedule.

Appointment panels or equivalent should be established following the guidance set out in the Board's letter of 2 December 2008¹.

The chair of the regulatory board (or an alternate) should always form part of that panel, unless the panel is established to select the chair (in which case another member of the regulatory board should participate).