**Item 7 - Annex A**

**PERFORMANCE REVIEWS FOR NON-EXECUTIVE MEMBERS OF THE ARB GOVERNANCE STRUCTURE**

**Introduction**

1. The ARB recognises that the non-executive members of its governance structure are a most important and valuable resource. The success of the ARB in fulfilling its statutory duties and strategic objectives will depend, to a considerable extent, on the work and expertise of the non-executive members of its governance structure. Through an effective scheme of performance and reviews, the ARB wishes to ensure that the efforts of non-executives are effectively aligned with the organisation’s strategic objectives, to provide a means of developing individuals and to enhance overall performance. Gathering feedback about non-executive members of the governance structure is a valuable part of the process and is part of the role of all non-executive members.

2. On appointment, all non-executive members of the governance structure commit to engaging constructively in the performance review process. The purpose is to:

a. Give non-executive members an opportunity to reflect on their achievements and successes;

b. Provide non-executive members with an opportunity to learn from what has not gone as well as expected;

c. Give non-executive members time to agree with their reviewer areas of focus during the 12 months to follow;

d. Help non-executive members to identify any development needs to support them in their role.

3. These guidance notes are intended to assist all participants in the performance and development review scheme.

**Responsibility**

4. The responsibility for the overall operation of the scheme lies with the Chair of the Board, whose role in this context is to ensure that all non-executive members of the Board, statutory and non-statutory Committees, and other non-executives have an opportunity to discuss their performance, receive feedback and, where necessary, are supported to improve any aspects of their performance that fall below expectations.

5. The process is designed to include a full discussion of performance between the reviewer and the non-executive. It encourages self-reflection on performance. Where performance is judged to be below expectations, the individual will be encouraged to improve and develop.

**Reviewers**

6. a. In order to fulfil the Ministry of Housing, Communities and Local Government’s terms and conditions of appointment for the Chair and the terms within the Framework Agreement, ARB will appoint an external, independent person to undertake the Chair’s review.

b. In consultation with the Chair of the Remuneration and Appointments Committee, the CEO and SIBM will select an appropriate individual to carry out the Chair’s review.

c. The Chair of the Board will review Board members and all chairs of statutory and non-statutory Committees, and independent non-executive members where another reviewer is not available.

d. The Chairs of the Policy, Audit, and Remuneration and Appointments Committees will review the external non-executive members of their committees

e. The Chair of the Professional Conduct Committee will review their respective committee non-executive members.

7. It is the responsibility of the member to prepare for the performance review meeting – including obtaining feedback on their performance from at least two colleagues who have observed their performance – and then reflect on their performance in the light of that feedback. The preparation should include consideration of ongoing or new goals so that there can be appropriate discussion and agreement at the meeting. Non-executive members should seek to vary the individuals they approach for feedback from year-to-year.

**Confidentiality**

8. The outcome of discussions at performance reviews, including all finalised paperwork, will be confidential between the reviewer, the member and the Chair of the Board, who has overall responsibility for the scheme. The scheme will be administered by the Director of Finance and Resources.

9. The data collected and the records maintained in connection with the performance review scheme are used solely for the following purposes:

a. Review of performance of individual non-executive members and of the organisation as a whole;

b. In circumstances where the removal, termination or suspension from office/appointment is being considered then any matters relating to performance and development reviews may be shared with those considering removal, termination or suspension.

c. Reappointment: in cases where the member is eligible for consideration for reappointment, the outcome of performance reviews in each year of the term served by the individual will be a factor in the decision making.

d. Monitoring the fair, equitable and appropriate application and administration of the scheme.

10. All finalised performance and development review documentation will be held, on behalf of the Chair of the Board, securely at the ARB’s office. All draft documentation (electronic and paper) between the reviewer and non-executive members should be kept by each party securely and destroyed once the final paperwork is completed and sent to the Director of Finance and Resources for secure storage on behalf of the Chair of the Board.

11. The performance review records will be accessible to the Chair of the Board, the Director of Finance and Resources and his or her administrator only.

All reviewers will have access to records relating to those individuals reviewed by them. All non-executive members will have access to their individual records.

The Department may wish to review the reviews of the Chair of the Board and of Board members.

**Timetable**

12. The performance meetings should take place for the review year commencing in April-all reviews should be completed by the end of August, with any exceptions being approved by the Chair of the Board.

13. There may be circumstances when it will not be possible to adhere to the performance review timetable and appropriate alternative arrangements should be made in discussion with the relevant chair, and reported to the Chair of the Board.

**The process**

14. At the commencement of the process, each member will be sent the following by the Director of Finance and Resources:

a. These guidance notes;

b. A performance review form which will be pre-populated with their attendance record over the previous year (including the hearings attended by Professional Conduct Committee members) as well as any other activities they have undertaken during the year;

c. The competencies against which they were appointed (or any which may have superseded those at the time of appointment).

15. The member should complete the self-assessment of their performance. In doing so, they should consider:

a. The development actions agreed at the previous year’s meeting;

b. Their performance against the competencies for their role;

c. Feedback that they have sought from at least two people who have observed their work for the ARB during the past year-this may be an executive or non-executive member of the ARB or another stakeholder;

16. The member should send the completed self-assessment to the reviewer at least 48 hours in advance of their meeting.

17. The reviewer and member should meet either in person or by telephone in order to review the self-assessment, for the reviewer to provide their feedback and to agree development actions for the year ahead.

18. It is the responsibility of the reviewer to provide a written draft of the performance review discussion and the associated actions, for agreement with the member and then the paperwork is signed by both.

19. The reviewer should forward the completed paperwork to the Director of Finance and Resources for secure storage.

**Feeding back to the Board**

19. Board members

Upon completion of each review process and once agreement has been reached between the Chair and individual Board members regarding their individual review reports, the Chair will summarise any common themes, trends and any areas for future development arising from collective Board members’ reviews. This summary will be communicated to the Board in a confidential pre-meeting of the Board. Individual development or other issues will be dealt with on an individual basis.

The Chair, in the open session of the Board, as part of Chair’s update will provide confirmation that the Board members’ review process has been completed.

20. Board Chair

The Chair’s performance review is undertaken by an independent external individual with the relevant experience. The independent external reviewer, upon completion and agreement of the review report, should meet with the Senior Independent Board Member (SIBM) and the Chief Executive and Registrar to share the Chair’s review report and highlight any specific development recommendations for the Chair.

Once the review process is complete, the Chair will provide a verbal summary of any key points emerging from the review process in a confidential pre-meeting of the Board. The SIBM will be invited to add any further comments.

The Chair, in the open session of the Board, as part of Chair’s update will provide confirmation that the process has been completed.

21. Other Non-Executives

A Summary of any common themes, trends and any areas for future development arising from collective reviews will be produced. This summary may be communicated to the Board in a confidential pre-meeting of the Board, Chief Executive and relevant Directors. Individual development or other issues will be dealt with on an individual basis by the relevant Director.

Annex 1

**Performance review for non-executive members of the ARB governance structure**

|  |  |
| --- | --- |
| Your name |  |
| Position |  |
| Review year |  |
| Date of review |  |
| Reviewer’s name |  |

**1. Self-assessment of your contribution to the work of the Board/Committee over the past year**

|  |
| --- |
| Please complete this having taken into account:   * The development actions agreed at last year’s performance review meeting * Your performance against the competencies for your role * Feedback that you have sought from at least two people who are familiar with your work for the ARB |
|  |

**2. Reviewer’s comments on your contribution to the work of the Board/Committee over the past year**

|  |
| --- |
| Reviewer’s comments |
|  |

**3. Attendance (this will be pre-populated before the review form is sent to you)**

|  |  |  |
| --- | --- | --- |
| Title of group | Meetings held | Meetings attended |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

**4. Development actions for improving your performance in the year ahead**

|  |
| --- |
| To be agreed between you and your reviewer |
|  |

|  |  |
| --- | --- |
| Your signature |  |
| Date agreed by you |  |
| Reviewer’s signature |  |
| Date agreed by reviewer |  |