

Open session

Board meeting: 17 May 2023

Agenda item: 8

Subject: Board and Committee Effectiveness Review 2023

Action: To Note

Purpose

To note the plans for the externally facilitated Board and Committee Effectiveness Review which will commence later in 2023.

Recommendations

The Board is asked to note this paper.

Annexes

None

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1. Open Session

2. Background and Key points

- 2.1. The last Board/Committee Effectiveness Review was conducted in May 2022.
- 2.2. This review was internally facilitated and designed to be 'light touch'. Board and Committee members completed online surveys where each statement was rated on a scale of 1 to 5 according to their views and were provided the opportunity to offer feedback and make suggestions for improvements. The responses were provided in confidence and collated on an anonymous basis. Following this, the Board approved the outcomes and recommendations to take forward at its meeting in July 2022.
- 2.3. At its meeting on 7 December 2022, the Board received an update on the progress made in relation to the recommendations resulting from the internal Board and Committee Effectiveness reviews undertaken earlier in the year.
- 2.4. In line with best practice and Cabinet Office guidance, we are planning to undertake an externally facilitated independent Board and Committee Effectiveness Review in 2023. These should ideally be undertaken every three years, with internally facilitated effectiveness reviews taking place in each intervening year.
- 2.5. The purpose of our Board and Committee Effectiveness reviews is to help the Board reflect on, and where necessary improve, its own performance, which in turn helps it to contribute towards the continuous improvement of the performance of the organisation.
- 2.6. We are currently reviewing proposals from external providers to conduct the Board and Committee Effectiveness Review later this year. The externally facilitated review will include gathering data from the Board and Committee members via surveys, observing Board and Committee meetings, as well as meetings with individual Board and Committee members, senior staff and a small number of relevant external stakeholders. The independent reviewer will observe in-person and online Board meetings. Meetings of the Audit and Risk Assurance Committee and People Committee will also be observed. Depending on the timings, the Accreditation Committee may also be observed.
- 2.7. The Board and Committee Effectiveness Review will cover the following core aspects:
 - Boardroom dynamics and behaviours, Board relationships (both among board members and between the Board and the Executive) and the culture within the Boardroom.

- Leadership of the Board in the Boardroom.
- The Board’s non-statutory Committees (Audit and Risk Assurance, Accreditation and People Committees) and the role these committees play in supporting the Board.
- Delegation from the Board to its committees, including whether there are clear decision-making practices in place and that the remits of each committee are understood by members.

2.8. The following is an indicative timeline for the externally facilitated Board and Committee Effectiveness Review:


September 2023	Project Scoping - Review of core documents, preparation of surveys and agreement on key milestones
October 2023	Data Gathering – survey completion and observing Board and Committee meetings
November 2023	Individual interviews with the Board and Committee members
December 2023	Workshop with Board Members to discuss findings of the final report and the recommendations
January 2024 onwards	Implementation of the recommendations and outcomes of the review

2.9. We hope to appointment the external reviewer shortly and a verbal update will be provided to the Board alongside consideration of this paper.

3. Resource Implications

3.1. The Board and Committee effectiveness review expenditure has been accounted for in the Governance Departments budget for 2023.

4. Risk implications

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- 4.1. Boards continually need to monitor and improve their performance. This can be achieved through evaluation, which provides a valuable feedback mechanism for improving effectiveness, maximising strengths and highlighting areas for further development. Undertaking annual effectiveness reviews at both Board and Committee levels will mitigate against poor performance and enable the Board and its Committees to determine where improvements can be made. This in turn will continue to ensure that ARB is operating effectively and in line with good practice as well as its own governance requirements.
 - 4.2. The Boardroom should be a place for robust debate where constructive challenge, support, diversity of thought and teamwork are essential features. Diversity of skills, background and personal strengths are important drivers of a Board's effectiveness, creating different perspectives among Board members. The lack of effectiveness reviews poses a risk to Board's self-reflection and how the Board performs cohesively. The Board's performance has a wider impact on the delivery of the organisation's strategic priorities. Annual effectiveness reviews will reduce the risk of this occurring.
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5. Communication

- 5.1. The outcomes of the Board and Committee Effectiveness reviews are communicated to the sponsoring government department, the Department for Levelling Up, Housing and Communities, through the CEO & Registrar's regular meetings with the Department's sponsor lead.
 - 5.2. Outcomes and recommendations of the final report will be provided to the People Committee, Accreditation Committee and Audit and Risk Assurance Committee Chairs, enabling relevant discussions at Committee levels.
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6. Equality and Diversity implications

- 6.1 The Board and Committee Effectiveness reviews will seek feedback on the organisation's EDI practices and policies. EDI is one of the areas which the Board feel could be improved, including taking forward EDI briefings for Board members.
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7. Recommendations

- 7.1. The Board is asked to note this paper.
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