

Open session

Board meeting: 7 December 2022

Agenda item: 9

Subject: Board and Committee Effectiveness Recommendations Update

Action: For Noting

Purpose

The Board is asked to note the progress that has been made in relation to the recommendations resulting from the Board and Committee Effectiveness reviews undertaken in May 2022, following the paper that was discussed at the Board meeting on 27 July 2022.

Recommendations

It is recommended that the Board:

- Notes the progress which has been made to date and as identified in **Annex A**, following the Board and Committee Effectiveness reviews.

Annexes

Annexe A (Board and Committee Effectiveness Review Recommendations update)

Author/Key Contact

Alice Pun, Governance Manager (alicep@arb.org.uk)

1. Open Session

This item will be discussed in the open session of the Board meeting as any updates on the agreed recommendations/action points should, be published in the open session for transparency of the process.

2. Background and Key points

- 2.1. The purpose of our Board and Committees Effectiveness reviews is to help the Board and its committees reflect on, and where necessary improve, their performance and contribute towards the continuous improvement of the performance of the organisation.
- 2.2. Internally run, light touch, Board and Committee effectiveness reviews were conducted in May 2022, following which the Board approved the outcomes and recommendations to take forward at its meeting in July 2022. The Committee level review outcomes have also been provided to each of the Board's Committees.
- 2.3. This paper follows up on the Board's discussions at its meeting in July 2022. Annexe A sets out further details and provides an update on the progress that has been made since the recommendations were agreed.

2.4. Review Process

By way of a brief recap, Board members were asked to complete an online survey via Diligent, where each statement was rated on a scale of 1 to 5 according to their views, paired with a free text option that provided opportunities to offer further feedback and make suggestions for improvements. Additional comments from Board members have been included at the end of the Board Members' survey.

A separate online survey was circulated to gather feedback from all members of the Prescription Committee, the Remunerations and Appointments Committee and the Audit and Risk Assurance Committee. The online survey followed the same format with a rate scale of 1 to 5. The responses were provided in confidence and collated on an anonymous basis.

- 2.5. Best practice for Board effectiveness states that an externally facilitated review should be considered at least every three years, with internally facilitated effectiveness reviews taking place in each intervening year. The next Board and Committee Effectiveness reviews will take place in 2023 and will be externally facilitated by an independent consultant, in line with the Cabinet Office guidance.

3. Resource Implications

- 3.1. The implementation of the Board and Committee Effectiveness review recommendations have been accounted for in the Board's budget for 2022.
-

4. Risk implications

- 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 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.
-

5. Communication

- 5.1. The outcomes of the Board and Committee Effectiveness reviews were communicated to the sponsoring government department (DLUHC) through the CEO & Registrar's regular meetings with the department's sponsor lead.
- 5.2. Individual Committee review results was provided to the Prescription Committee, Remunerations and Appointments Committee and Audit and Risk Assurance Committee Chairs. Relevant discussions were held at committee level and any feedback from those committee meetings have been incorporated into the update on Recommendations and actions taken forward.
-

6. Equality and Diversity implication

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

7. Recommendations

It is recommended that the Board:

- Notes the progress which has been made to date and as identified in **Annex A**, following the Board and Committee Effectiveness reviews.
-

Annexe A - Board and Committee Effectiveness Review 2022

Recommendations, Actions and Progress Update

Recommendations Arising from the Board/Committee Effectiveness Review	Action Plan (as agreed in July 2022)	Progress Updates (November 2022)
<p>Governance team to explore and to make changes to improve and streamline the Board and Committee induction process to ensure that new members receive a thorough induction.</p>	<ul style="list-style-type: none"> • The Governance team will undertake a review of the existing Committee and Board induction processes and look to standardise these, with flexibility for input from colleagues/other areas of the business as appropriate. • The Governance team will develop a standardised induction pack for new Committee and Board members once they have been fully appointed and to supplement the induction process. • Where appropriate, development opportunities such as observing other Board/Council meetings; visiting a school of architecture; visiting an architectural practice; spending time with a particular team at ARB will be arranged. • We will develop opportunities for new Board/Committee members to feedback on their experiences following the induction to identify ways to improve further. 	<p>In progress - and to be completed in time for the appointment of the new Lay Board Member</p> <p>In progress and to be completed in time for the appointment of the new Lay Board Member</p> <p>In progress</p> <p>In progress</p>
<p>The frequency of the Board/Committee Effectiveness reviews to be monitored by the Governance team, ensuring that internal reviews</p>	<p>An internal effectiveness review was undertaken in 2022.</p>	<p>Complete</p>

<p>are conducted annually with an externally facilitated reviews being conducted every 3 years in line with Cabinet Office guidelines.</p>	<p>Plans for an externally facilitated Board/Committees Effectiveness review are being developed for 2023, which will be followed by internal review in 2024.</p>	<p>Provision for an externally facilitated review has been included in the Governance budget for 2023. We are proposing to run the review in mid 2023. .</p>
<p>The next Board/Committee Effectiveness surveys should seek feedback on succession planning and reviewing progress against the recommendations resulting from previous reviews.</p>	<p>Future Board/Committee Effectiveness reviews will include questions to seek feedback on succession planning.</p> <p>The externally facilitated effectiveness review scheduled in 2023 will also include a review of the actions implemented in line with the recommendations following the Board and Committee effectiveness review in 2022.</p>	<p>In Progress and will be factored into the 2023 Board/Committee Effectiveness Review</p> <p>In Progress and will be factored into the 2023 Board/Committee Effectiveness Review</p>
<p>The Governance Team will explore whether there are ways that the Government Department (DLUHC) can feed into the Board Effectiveness Review more routinely.</p>	<ul style="list-style-type: none"> • The Governance Team will liaise with the CEO & Registrar and Chair of the Board to check whether they are comfortable with this approach, and if so, what level of input would be appropriate • The Governance Team will then liaise with the Department to determine whether the relevant level of input would be possible • The Governance Team will prepare a process note/include relevant opportunity for the Department to input as agreed in future years 	<p>Discussions to take place in early 2023</p>

<p>Equality, Diversity and Inclusion</p> <p>An EDI briefing for Board members should be taken forward. EDI outreach work for Board recruitment campaigns should continue and the Executive should look for ways to expand these activities.</p>	<p>The EDI briefing session is being currently under discussion by the SLG and may be scheduled to form part of the Board workshop session in September 2022.</p>	<p>Complete – in November 2022 rather than September</p>
<p>A review of all the committees’ terms of reference to be conducted in the second half of 2022. The Governance team will ensure that a review of all terms of reference will be undertaken once every two years, along with Committees having the opportunity to review and check that they are complying with the terms of reference annually.</p>	<ul style="list-style-type: none"> • The Governance Team will seek feedback from the CEO & Registrar, the Chair of the Board and SLG members on the potential changes to the ToRs. • The Governance team will undertake a benchmarking exercise to determine good practice/what other similar organisations do • Revised ToRs will be discussed with and considered by relevant committees (or their chairs) • Revised ToRs will be taken to the Board for approval in December 2022 • A separate review of the Prescription Committee/Accreditation Committee will form part of the IET Review • Discussions with regard to the new Appeals Committee are ongoing and a consultation will be issued in the coming weeks • Action points in relation to both the new Accreditation Committee and Appeals Committee will be taken forward by the Governance team as appropriate 	<p>Complete</p> <p>Complete</p> <p>Complete</p> <p>Complete</p> <p>In progress</p> <p>In Progress – Consultation issued</p> <p>In Progress</p>

<p>Chair's Annual review</p> <p>In consultation with the Chair, the Governance Team will explore incorporating a requirement that the Chair, as a matter of routine, seeks feedback from the sponsoring government department and/or Minister as part of their annual review.</p>	<p>Discussions to take place with the Chair before the end of September 2022 and the agreed way forward will be woven into the 2022 annual review.</p>	<p>In progress</p>
<p>Board member's Annual Review</p> <p>In consultation with the Chair and the Senior Independent Board Members, the Governance Team will explore whether the Senior Independent Board Member should play a greater role in the annual review process, as suggested by the guidelines for some organisations.</p>	<p>Discussions to take place with the Chair before the end of September 2022 and the agreed way forward will be woven into the 2022 annual review.</p>	<p>In progress</p>