

Board Paper

Date

20 June 2023

Title

Board Effectiveness Action Plan

Report Author

Dame Glenys Stacey, Chair

Responsible Executive Director

Richard Greenhous, Chief of Staff

Paper for decision

Open in part

Issue

1. This paper seeks agreement to the actions to be taken, in light of the Board's effectiveness review.

Recommendation

2. The Board is recommended to consider and agree the action plan.

Background

3. It is expected practice that boards review their effectiveness annually, and independently once every three years. For the OEP's first review, we commissioned external contractors to perform the review, in order to provide assurance on the early operations of the Board and support us to have the most effective Board in the medium term.
4. Independent Audit Ltd carried out the review via interviews with Board members and the Executive, observation of Board and Audit and Risk Assurance Committee meetings, and desk based research. Their review was conducted taking account of the Cabinet Office guidance, other relevant standards and their own proprietary models and experience.

5. Their report was presented to the Board at its 20 April 2023 meeting for discussion. The report found that the Board is 'working well, and already showing the attributes of an effective board. It is exhibiting an impressive level of governance maturity given the short period of time since the OEP was established.' The report had 38 recommendations.
6. The Board supported the outcome of the report, in general, including its two main recommendations; shifting away from more detailed reviews where possible and aligning on the routes to achieving impact. The Chair undertook to develop an action plan in light of the Board's discussion.

Analysis

7. We identified key themes from the review's recommendations and prioritised these in light of the Board's discussion. The recommendations were varied in their substance, and we have sought to focus on what is strategic, as well as take operational steps that can be resourced and adopted quickly.
8. Annex A summarises the actions proposed, broken down into themes, in priority order.

Shift away from detailed review and ensure time for strategic

9. The actions aim to give the Board more time for its strategic discussions, and for this to be appropriately separated from operational decisions it must take in law. A key enabler is a longer-term forward plan of the Board's business so that strategic matters are well planned and prepared for, and adequate provision is made for Board assurance on operational business.
10. In addition we set out a range of steps to provide structure to the assurances available to the Board, and how these are reported, and to delegate further within this assurance framework as is appropriate. The Board is asked to consider some further delegations in this meeting.

Aligning on the routes to achieve the outcomes you want

11. We set out when, and how, the Board will consider the strategic questions raised in the report. Our aim is to develop a schedule of similar strategic questions for us to consider, over time.

Board succession

12. We have discussed the intentions of Board members whose terms expire in 2023.
13. In line with the effectiveness review, and the Board's discussion, we have indicated to officials that we would wish the vacant Board member post to be appointed, and noted potential skills in environmental economics, or in communications, PR or influence.
14. There is one area the Board is invited to consider in this section: improving diversity.

Better administration

15. This theme is the widest ranging with the most recommendations. We have proposed some to address now, and others not as a priority at this time.

People

16. We judge these the lower priority of the recommendations proposed. We explain actions in relation to Board performance review, and staff engagement and propose an additional source of assurance for the Board on people issues.

Northern Ireland

17. There will be no difference in implementing the plan in Northern Ireland.

Finance and Resource

18. We have already allocated resource to the Board Effectiveness Review action plan when business planning.
19. Several of the recommendations are covered by existing work in the organisation. The actions are deliverable, and have been prioritised accordingly.

Impact Assessments

Risk Assessment

20. There is a risk that the actions are not sufficient to meaningfully adjust course where needed. In mitigation the Board is performing well, and we will review it annually.
21. There is a risk that we focus too much resource on the actions arising from the Board Effectiveness Review. The risk is low, and is mitigated by grading the actions in the plan and limiting larger work to projects that will support the two main recommendations.

Equality Analysis

22. No material equalities impacts have been identified.

Environmental Analysis

23. An effective Board contributes directly to the OEP's principal objective to protect and improve the environment. An ineffective Board could mean decisions cannot be made, and the OEP would not be able to fulfil its statutory duties.

Implementation Timescale

24. Implementation timescales are given in Annex A.

Communications

25. The organisation will be informed of the plan at staff cascade meetings.

External Stakeholders

26. No external stakeholders were consulted in devising this plan.

Paper to be published	YES
Publication date (if relevant)	With meeting minutes
If it is proposed not to publish the paper or to not publish in full please outline the reasons why with reference to the exemptions available under the Freedom of Information Act (FOIA) or Environmental Information Regulations (EIR). Please include references to specific paragraphs in your paper	<p>We aim to be as transparent as we reasonably can. We seek to be clear and open about what we are doing and why.</p> <p>We should have clear reasons where we propose not to publish.</p> <p>Some common FOIA/EIR exemptions are:</p> <ul style="list-style-type: none"> • publication would harm the effective conduct of public affairs, including the Board's ability to receive candid advice and engage in free and frank discussion (s.36) • publication would contravene data protection requirements (s.40)

ANNEXES LIST

Annex A – *This section has been redacted as its publication would be prejudicial to the effective conduct of public affairs.*

Annex B – *This section has been redacted as its publication would be prejudicial to the effective conduct of public affairs.*