

Meeting:	BNG Board
Date:	14 March 2008
Contact:	Jim Coulter
Board Action:	For review and decision
Sensitivity:	Public

Subject: Item 9 - Board Review: Chair's Report on Appraisal Discussions

Link to BNG Vision and Objectives:

Effective governance is part of BNG's mission and actions are targeted in the annual business plan

Recommendation:

The Board is asked to review and agree recommendations emerging from 1:1 discussions to maintain and enhance Board effectiveness.

Executive Summary:

Feedback from Board Members shows substantial satisfaction with Board performance, reflecting the external feedback on a strongly performing organisation (Audit Commission scrutiny report). The report makes further recommendations to enhance Board effectiveness.

Implications	
Financial:	None
Equality:	Equality promotion is a BNG objective
Sustainability:	An effective Board supports a sustainable organisation
Freedom of Information:	This report is a public document
Report Status:	Open

Risk:	Organisational effectiveness and reputation are enhanced by having an effective governance performance		
Risk Map Element	Brief description of any material risks, including of not proceeding.	Impact	Probability
Strategic:			
Financial:			
Development:			
Operational:			
Reputational:			

Item 9 - Board Review: Chair's Report on Appraisal Discussions

Introduction

When the Board reviewed and changed the Bridging NewcastleGateshead Governance Scheme in September 2006, including introducing Board Member competencies, it was agreed we should introduce 1:1 appraisal discussions between the Chair and Board Members and review the overall results so that the Board can play its role in the continuous improvement of the organisation. It was also agreed at that time that individual Board returns would be confidential.

The 2006-2007 appraisal discussions focussed on individual Board Member needs and performance. The 2007-2008 discussions have concentrated on the Board's overall performance. The 1:1 discussions with the Chair were preceded by the completion of a questionnaire which covered eight areas. The areas covered and the average 'scores' are recorded below (the ranking was 1 = low and 5 = high):

Subject area	Average score
Effectiveness in developing Strategic Plan, Risk management, Budget etc	4
Effectiveness in Performance Monitoring	3.5
Right governance structures and processes	4
Relationships between Chair and Board and between Board Members	4
Relationships between the Board and Director and Management Team	4
Board's performance in working together	3.5
Board Member training	3
Board's level of commitment: not scored	

Discussion and issues raised

Generally, Board Members recorded a high degree of satisfaction both with their role and the performance of the organisation. The above table, although not a 'scientific' or an independent assessment, reflects a significant upward difference compared with the survey of Summer 2006 conducted as part of the Governance Scheme review. As a benchmark, that indicates welcome progress.

The most positive feedback relates to the Strategic Commissions Review conducted in 2007 in the run-up to our 2008-2011 Business Plan submission to Ministers. Comments reflected on the quality of the process and outcome, but also on the governance structure approach which led to this. The development of clearer delegation to the Director and to the Appraisal and Advisory Panels respectively is considered to have been a success. The biannual review of the Risk Register and risk management processes also reinforce the strategic role of the Board.

Board Members comment very positively on the role of the Director in leading the staff of the organisation and creating a good reputation for BNG. Positive comments are also made about Management Team and staff contributions. Board Members generally comment favourably on the quality of work done and the need to sustain the improvements made in the quality of reporting to the Board in order to ensure we continue our focus on strategy and performance accountability.

The areas which are 'average' in their score (ie 3) indicate relative weakness in some areas:

- Board training: while few specific problems were identified, we have only just developed an induction programme for new Board Members in conjunction with our recent recruitment. Perhaps we also need to ensure we provide 'refresher opportunities' for all;
- Board relationships are good but questions were raised about the need for more informal opportunities to mix as well as ensuring all Members feel fully involved;
- The focus on BNG performance management is strong (and recognised by scrutiny bodies) but we have little input into the performance of partner bodies (largely the two local authorities).

The distinction between executive and non-executive roles is now clearer than hitherto. That has been developed by the Director and her local authority colleagues co-managing the partnership. The Board will need to reflect on how our governance arrangements continue to secure effective scrutiny of performance in that context.

Some suggestions for change

Building on the discussions and observations of individual Board Members, the following are suggestions for change to continue the Board's progress:

- Using the Board 'tours' which have been initiated as a means of developing a scrutiny framework to enable the Board to be assured that BNG and the appropriate partners are delivering to agreed objectives. We have focussed so far on new build projects but can extend this 'scrutiny' into a number of themed areas, for example specific area and neighbourhood progress, testing the success of community engagement strategy;
- We could develop this area by giving individual Board Members lead responsibility for themed reviews. This would both assist the performance review process and develop Board member knowledge and continuous learning;
- We can improve induction and update Members on an ongoing basis by creating a 'master' CD-rom containing key documents and which can be updated by email;
- We can designate a future Board meeting as an Awayday, both to help build informal relationships but also to use time to compare BNG's policies and performance with other HMR Pathfinders to ensure we deliver best practice and continuous improvement.

Summary and decisions required

There is a high degree of satisfaction evidenced in the Board returns and 1:1 discussions about the progress made since the 2006 Governance Scheme review, the strategic oversight role of the Board, opportunities for participation and the performance of the organisation under the Director's leadership.

Some areas have been identified for further improvement and suggestions are highlighted which, hopefully, will deal with perceived relative weaknesses, strengthen informal links between Board Members, improve scrutiny roles and overall delivery.

The Board is asked to review this report and to endorse or add to the suggestions made.

Jim Coulter
February 2008