

DIRECTOR DECISION – DD 189

Title: External Review – OPDC Board Effectiveness Review

Executive summary

As our organisation reaches the next level of maturity, it is necessary for us to ensure we are fit for the future and that we have the right capacity and capability across the organisation, including our Board and Committees.

Good governance requires that Public Bodies should regularly conduct a full external Board Review, to focus on the way that the Board and its Committees currently conduct their business. As well as look at how the Board should evolve to ensure the right mechanisms, structure, skills, experience and processes are in place for our developing role as lead delivery agency for the major Old Oak regeneration project.

The review, which will be carried out by an external provider, will examine both the formal, visible structures through which the Board operates, as well as the more informal and less tangible aspects, including the nature and tone of working relationships amongst the Board and between the Committees, Stakeholders and Executive Team.

Decision

The Director approves:

- i. Expenditure of £20,000 to procure a provider to complete an external Board Effectiveness Review between June to November 2024.

Authorising Director

I do not have any disclosable interest in the proposed Decision. It is consistent with OPDC's priorities and has my approval.

Signature: *Michelle Wells*

Date: 10/07/2024

PART 1: NON-CONFIDENTIAL FACTS AND ADVICE

1. Background and context

- 1.1 During April to July 2022, an internal Board Effectiveness Review was completed to identify any areas where the Board's governance, operations and impact could be enhanced. The review covered interviews with Board Members and our Executive. It was also supplemented by an advisory review on Board governance by our internal auditors.
- 1.2 Good governance now requires that we conduct a full external review which will focus on the way that the Board and its Committees currently conduct their business and look at how the Board should evolve to ensure the right mechanisms, structure, skills, experience and processes are in place for our developing role as lead delivery agency for the major Old Oak regeneration project.
- 1.3 The review will provide an independent perspective on the functioning of the Board, the Audit and Risk Committee and the Development, Investment, Sustainability Committee.

2. The proposal and how it will be delivered

- 2.1 The review, which will be carried out by an external provider, should examine both the formal, visible structures through which the Board operates, as well as the more informal and less tangible aspects, including the nature and tone of working relationships among the Board and between the Committees, Stakeholders and the Executive team.
- 2.2 An external provider will be appointed through an independent and competitive procurement process being led by the Executive Director of Corporate Operations and Chief Finance Officer.
- 2.3 The tender process will commence in late June and in accordance with OPDC's Contracts and Funding Code and Procurement Guidance.
- 2.4 We will seek to appoint an external advisor, through requesting three proposals and quotes to establish best value for money.

3. Objectives and expected outcomes

- 3.1 The fieldwork will take place between July and September 2024, with the proposed areas of focus building upon the issues considered by the internal 2022 review. These include:

The role of the Board, and in particular:
 - The overarching culture and tone set by the Board
- 3.2 How the Board communicates with, listens and responds to, its organisation and other stakeholders
 - How the Board communicates together and builds relationships

3.3 Board engagement with the Executive team, Stakeholders and the local community

Board Composition:

- The current mix of skills, knowledge and experience, in the context of developing and delivering the strategy, challenges and opportunities
- Diversity of the Board
- Size of the Board
- Succession planning
- Effectiveness of the induction arrangements

Board culture and relationships:

- The way reports are presented at meetings, quality of reporting, time for discussion

3.4 The way Board members challenge, review and comment on agenda items

- Committee reports to the Board
- Structure of Committees
- Role of the Chair
- The Board's relationship with the Chief Executive
- The Board's relationship with the Chair
- The Board's relationship with fellow Members.

Board Effectiveness:

- Decision-making process
- Dynamics, challenge and debate
- Meeting attendance
- Governance structure

3.5 Level of secretarial resources

The role and effectiveness of the following Committees:

- The Audit and Risk Committee
- The Development, Investment and Sustainability Committee

3.6 There will be a detailed report, outlining key areas of focus and recommendations. An action plan will advise on how to achieve the recommendations, stages of follow up and monitoring, which will be presented to the Board and Senior Management Team.

4. Strategic fit

4.1 The external review will comprise the following:

- A desktop review of a range of key documents related to the work of the Board and its Committees

4.2 A Board Effectiveness survey with Board Members, Executive Team and Secretariat and potentially other key stakeholders

4.3 One-on-one interviews with all Board Members, Executive Team and Board Secretariat

- A detailed review of the skills, competencies and expertise of individual Board Members
- An assessment of our process for succession planning for the Board
- Review and observation of recorded and in person meetings

5. Project governance and assurance

5.1 The Senior Responsible Officer will be the Chair of the Audit and Risk Committee, who will be supported by the Executive Director of Corporate Operations and Chief Finance Officer and the Head of Performance and Governance.

5.2 The Senior Responsible Officers will liaise closely with the Performance and Governance team providing overarching project and budget assurance. They will work with the appointed external advisors with day-to-day support and quality control on documents, ensuring deadlines are met.

Risks and issues

Risk description	Inherent score	Mitigations	Target score
The scope and budget may increase during the project due to additional needs being identified, resulting in a variation to the scope and an increase in budget.	Likelihood: [4] Impact: [3] Total: [12]	Regular meetings with the external provider and OPDC will be requested. SROs will work closely with external provider to ensure all costs are factored in before work takes place.	Likelihood: [3] Impact: [2] Total: [6]
The external review may not get the full compilation of Board Members and SMT due to ambitious timescale aimed for	Likelihood: [3] Impact: [4] Total: [12]	Performance and Governance Team to be proactive in liaising with Members, Executive Team to get dates in the diary.	Likelihood: [2] Impact: [3] Total: [4]

6. Equality comments

- 6.1 Under Section 149 of the Equality Act 2010, as a public authority, OPDC must have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation as well as to the need to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.¹²^[OBJ]

7. Other considerations

- 7.1 The timescale for this work is ambitious, with the completed report target date to be presented to the SROs by October and then to Board in November. As part of the tendering and selection process, we will need ensure the external provider understands the timescales. The Performance and Governance Team will need to ensure timelines are provided to the Board, Executive Team and Secretariat in good time and that all evidence and supporting documents are provided efficiently to ensure a smooth process.

8. Conflicts of interest

- 8.1 No one involved in the preparation or clearance of this form, or its substantive proposal, has any conflicts of interests.

9. Financial comments

- 9.1 Expenditure of £20,000 will be funded from the 2024/25 Corporate Operations budget. PA.0400.001.

10. Summary timeline

Activity	Date
Notify Board on proposal	June 2024
Procurement of contract	June 2024
External provider appointed	w/c 8 July 2024
Fieldwork	July – September 2024
Finalise Report	End September/early October 2024

¹ The protected characteristics and groups are: age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation and marriage/ civil partnership status. Fulfilling this duty involves having due regard to: the need to remove or minimise any disadvantage suffered by those who share a protected characteristic or one that is connected to that characteristic; taking steps to meet the different needs of such people; and encouraging them to participate in public life or in any other activity where their participation is disproportionately low. Compliance with the Equality Act may involve treating people with a protected characteristic more favourably than those without the characteristic. The duty must be exercised with an open mind and at the time a Decision is taken in the exercise of the OPDC's functions.

Board Evaluation Meeting with Chair, Chair of ARC and CEO	October 2024
Report brought to Board	20 November 2024

Appendices

- None

Other supporting papers

- None

Information in this Form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA). OPDC aims to publish the Form within three working day of approval.

If immediate publication risks compromising the implementation of the Decision (for example, impacting a procurement process), it can be deferred until a specific date (when it will be published). Deferral periods are kept to the shortest length strictly necessary.

Part 1 – Deferral

Publication of this Part 1 is to be deferred: **Yes**

The deferral is until: August 2024

This is because: due to tender exercise taking place in June-July

Part 2 – Confidential information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in or attached to any separate Part 2 Form, together with the rationale for withholding the information at this time.

There is a separate and confidential Part 2 Form: **No**

DECLARATIONS

Drafting officer: Vicki-Marie Price has drafted this Form in accordance with OPDC procedures, including for handling conflicts of interests, and confirms that:



Advice: The Finance team have commented on the proposal.



CONFIRMATIONS

Section 106 funding: This use of S106 to fund the expenditure proposal was approved via a Section 106 spend proposal form on N/A.

SMT review: This Decision was circulated for **Senior Review** on 27/06/2024.

Chief Finance Officer

Financial and legal implications have been appropriately considered in the preparation of this Form.

Signature:



Date: 09/07/2024