



Eich llais mewn iechyd
a gofal cymdeithasol

Your voice in health
and social care

Board effectiveness review process

(including Chair and Board member appraisal process)

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Introduction

Appraisals are a two-way process, looking back to assess and celebrate past performance and looking forward to improve future performance.

Boards of public sector bodies are required to carry out an annual effectiveness review. This commitment has been included in our Framework Document and Standing Orders.

Our Framework Document and Standing Orders include a commitment that the Chair will carry out annual performance reviews for individual Board members.

The Chair is accountable to Welsh Ministers and so their annual performance appraisal will be carried out by the Minister for Social Justice.

Details of these performance review processes are included in this document.

Board effectiveness review

Boards continually need to monitor and improve their performance. This can be achieved through evaluation.

Evaluation provides a powerful and valuable feedback mechanism for improving effectiveness. It helps us maximise our strengths and highlight areas for further development.

Boards of public sector bodies are required to undertake an annual effectiveness review. This review must be led by the Chair who has overall responsibility for the process.

Our partnership team in Welsh Government are given an opportunity to feed into the scope and process of the review as appropriate.

The Board's effectiveness review must:

- ❖ be objective and rigorous
- ❖ involve feedback and perspectives from outside the Board
- ❖ promote openness and honesty
- ❖ consider best practice elsewhere
- ❖ explore how effective the Board is as a unit and quality of the contributions made by individual members

The outcome of the effectiveness review should enable the Board to develop a set of objectives that will enhance and improve the performance of the Board.

The Board’s annual effectiveness review must consider how the Board and its Committees supported the Accounting Officer in meeting the requirements set out within [Managing Welsh Public Money](#).

Recognising that no one size fits all, it’s considered good practice for the review to consider the following areas:



Board composition and structure: The composition of the Board and its Committees; including the balance of skills, experience, knowledge, and diversity (this should include diversity in its broadest sense, i.e. diversity of place). Succession and development plans. Progress made on the recommendations from the last effectiveness review.

Role and accountability: The Board's understanding of its role and responsibilities. Quality of discussions around individual proposals and time allowed. The process the chair uses to ensure sufficient debate for major decisions or contentious issues - including how constructive challenge is encouraged. The effectiveness of the Board's Committees, including their Terms of Reference, and how they are connected with the main board.

Strategic alignment with priorities: How the Board has appropriately considered whether Llais's policies and actions are aligned with its strategic priorities and whether they support Welsh Ministers strategic aims.

Processes and practices: The quality and timing of information and reports being provided to the Board. In particular information related to Llais's performance; processes for identifying, reviewing and managing risk; and processes for financial management and reporting.

Board culture: The overarching culture and tone set by the Board. Clarity of, and leadership given to, the purpose, direction and values of Llais. How the Board's practices, relationships and cultural norms compare with other Welsh public bodies and best practices.

Interaction, relationships and visibility: The quality of relationships between all Board members and its relationships with Llais's stakeholders. In particular, relationships between the executive and non-executive members, the Board and its sponsoring department and Minister. How the Board communicates with, listens and responds to Llais and other stakeholders.

Whose views should be considered in the review?

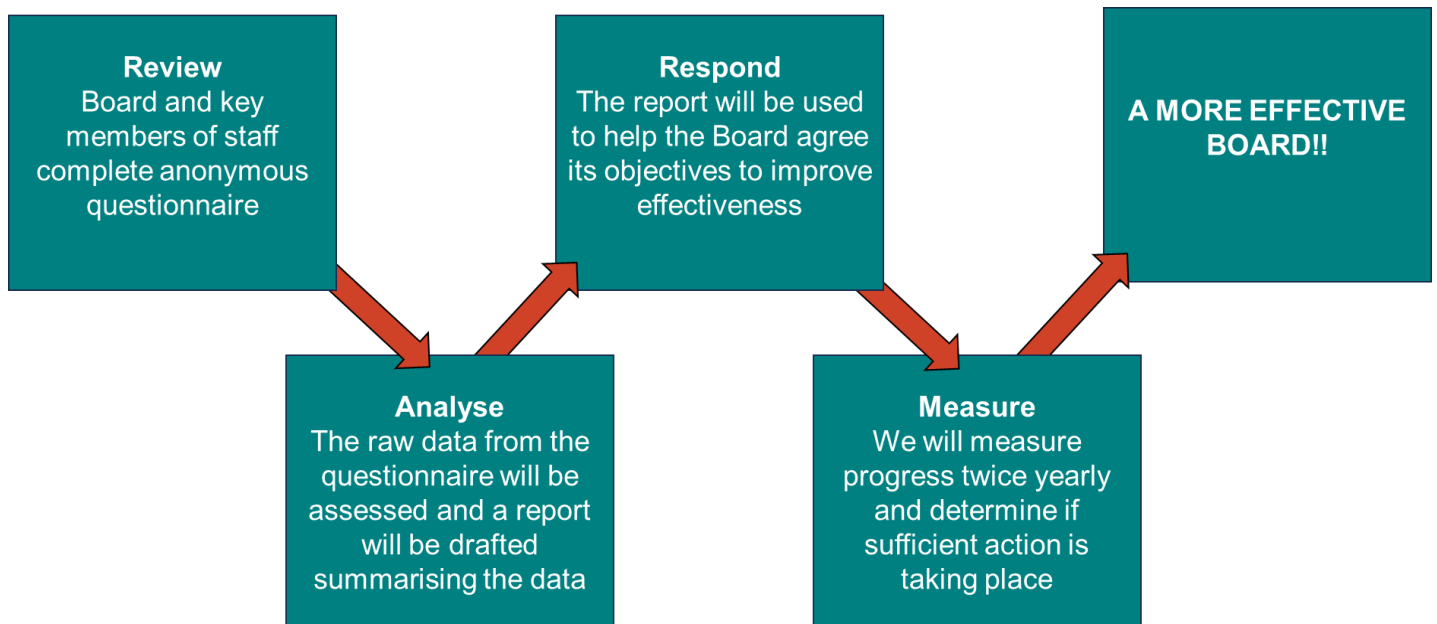
All members of the Board should take part in the review.

Feedback and perspectives should be sought from members of staff. For example, the Strategic Directors and the Governance Manager – these individuals work closely with the Board and will have the most to offer in terms of constructive feedback.

The effectiveness review should take account of other relevant reports. For example, audit reports that refer to the work of the Board – specifically where there is reference to good and bad practice taking place.

The Board should also consider using best practice from other organisations as a standard to measure their effectiveness against.

What does the review process look like?



Step 1 – review: The Chair (with input from the other Board members) will agree the review process and the set of questions that will be used to gain feedback on the Board’s effectiveness. An anonymous electronic questionnaire will be created for all Board members and key members of staff to complete. Individuals will be asked to provide feedback on the Board’s effectiveness as a unit and on the quality of individual contributions.

PLEASE NOTE: we need to be careful not to single anyone out in our feedback on individual contributions. This is an opportunity to provide constructive feedback – not criticise individual performance and contributions.

Step2 - analyse: The raw data from the questionnaire will be analysed by the Chair (supported by the Board Secretary). A report will be drafted summarising the feedback and any other information being considered as part of the review.

The Board members will also be given access to the raw data in the spirit of transparency.

Step 3 – respond: The report will form the basis of the Board’s discussion at its annual effectiveness review session (usually held in February each year). A clear programme (objectives) of follow up actions and a plan to implement them should be jointly developed and agreed by the Board.

These objectives should be realistic and achievable – the Board may choose a mixture of objectives that are achievable in the short term and long term but all objectives should aim to enhance and improve the Board’s performance.

Step 4 - measure: The Board will assess progress against its objectives twice yearly. Firstly, at the 6-month point, and secondly at the end of the year.

At the second review point, we will conduct the effectiveness review process again and measure the results against the results from the previous year/s. The Board will also review its objectives to ensure they are still appropriate for the year ahead.

How will we report on our effectiveness review and progress against our objectives?

It is important that our people and our stakeholders know that we are assessing our Board's performance and taking action to improve its effectiveness. To do this we will:

- share information about the outcome of the review, agreed objectives and progress against those objectives with our people, our partnership team in Welsh Government and the Minister for Social Justice
- report on Board effectiveness at a Board meeting in public and we will publish a report in advance of the meeting
- report on the Boards effectiveness in our Annual Report and Accounts.

What else will the effectiveness review be used for?

It will inform succession planning. The review is an opportunity to review skills, assess composition and agree plans to fill skills gaps and increase diversity. Filling skills gaps helps us maximise Board effectiveness.

The results will also inform the design of the Board induction pack, development programmes and other relevant processes and documentation.

And, the results will also form part of the Chair's performance review with the Minister for Social Justice.

Reviewing the process

We will review the process and questions after the year 3 effectiveness review has taken place. This provides us with sufficient data to properly measure the impact. For this reason, we should use the same questions for the review for the 3 years.

External facilitation

External facilitation can add value by introducing a fresh perspective and new ways of thinking, and a critical eye to board composition, dynamics and effectiveness.

It may also be useful to arrange external facilitation in exceptional circumstances. For example, if there is a new Chair, reoccurring problem or there is an external perception that the Board is ineffective.

The external evaluator should be able to meet with the Board members individually and collectively. It is also good practice for the external evaluator to meet with senior managers to gain their views on the Board.

Public sector bodies are encouraged to use a facilitator at least every 3 years.

Chairs performance appraisal process

The Chair is accountable to the Minister for Social Justice. The Minister is responsible for the Chair's annual performance appraisal.

The process for the Chair's appraisal has been agreed with our Welsh Government, Partnership Team. It follows the same approach and principles as other Welsh Government Sponsored Bodies.

In order for the Minister to carry out the appraisal effectively, they will need the following information:



The Minister will then use this information to produce her evaluation of the Chair's performance.

The Minister will also agree a set of objectives with the Chair and assess progress against these objectives at their annual performance review meetings.

Individual Board member appraisals

The Chair must carry out annual appraisals for individual Board members. This will usually take place in the latter part of the financial year.

Usually, the Chair will also have a mid-year review with each individual to ensure that they are receiving the support they need and to discuss any performance related matters.

Non-Executive members

For non-executive members, the Chair will assess their performance and contribution as a Board member as well as their contributions as Regional Ambassadors. The Chair may seek feedback from the Regional Directors and other member of Tîm Arwain in relation to the contributions as Regional Ambassadors.

The Chair may seek the views of other Board members in the Deputy Chair appraisal process.

The Chair may agree individual objectives for the Non-Executive members in the context of their role and responsibilities as Board and Committee members, or as Regional Ambassadors.

Chief Executive

For the Chief Executive, the Chair will assess their performance and contribution as a Board member.

Their performance as Chief Executive will also be assessed annually, taking into consideration feedback from the Board.

The Remuneration and Terms of Service Committee will need to ensure it is satisfied with the performance management system in place for the Chief Executive. The Chair may seek the views of the Board on the Chief Executive's annual objectives.

Associate Member

For the Llais Associate Board Member, the individual's performance as a Board member will be assessed by the Chair.

Their performance as a member of staff will not be considered in their appraisal as a Board member.

December 2023