



Governance in NHS Wales

Section Six - The Role of Independent and Executive Members

“As a general rule, the most successful man in life is the man who has the best information.” – Benjamin Disraeli

Key points:

- All directors have a responsibility to ensure that they understand the role of the organisation and the sector within which it operates.
- Independent members need to support the chair in being clear about the information they need in order to discharge their role, including assurance and scrutiny.
- Aside from attending board and committee meetings, independent members should always ensure they have read all papers they are sent and have a good understanding of the work of the organisation.
- Independent members are not representative of a particular viewpoint or constituency, and should actively participate in all aspects of assurance and scrutiny. They should not absent themselves from particular discussions.
- It is important that all areas of potential or perceived conflict of interest are properly declared.
- Independent members should discuss matters they feel uncomfortable with or uncertain about with the chair.
- Independent members must go through an annual development appraisal discussion with the chair.
- Independent members have an important ambassadorial role for their organisations.

Further information:

See also the duties of the directors of a corporate board from:

The Combined Code [http://www.frc.org.uk/documents/pagemanager/frc/Combined_Code_June_2008/Combined%20Code%20Web%20Optimized%20June%202008\(2\).pdf](http://www.frc.org.uk/documents/pagemanager/frc/Combined_Code_June_2008/Combined%20Code%20Web%20Optimized%20June%202008(2).pdf)

The Walker Report http://www.hmtreasury.gov.uk/d/walker_review_consultation_160709.pdf

The role of the officer members

The work of the board and executives/managers can be broadly separated by looking at the board's responsibility as to state “what” is required and measuring progress towards its achievement. The executives' and team's responsibility is to come up with “how” this can be achieved and then to implement action to achieve it.

The board's first task is to provide or approve the strategic vision and goals for the organisation. Board members must be chosen for their ability to look at the needs, direction and health of the whole entity and not get sidetracked in the specific interests of any one part of the organisation or its environment.

Once the board has provided or agreed the vision, goals and priorities. they need to be passed to executives who are expected to develop the strategy for how this can be achieved. This is a demanding task but executives are chosen for their ability to plan and implement change. An effective organisation's plan can be drawn as a flowchart showing the sequence of who is doing what by when.

Once the strategies are prepared they need to be submitted to the board, which then acts as a test bed in which to try out the strategies before they are implemented in the real world. Executives might be expected to produce strategies that are 90% + effective. If the board can improve on this by another 5% this can be a big benefit to the organisation.

When satisfied that the plans are as good and coherent as they can be, they are approved and passed back to executives for the preparation of detailed plans and personal objectives for implementation.

The board's role, then, is to regularly measure progress and performance.

- Progress - did people do what they said they would do by when they said they would do it? If not, why not? Have the strategy and the plan been amended to show the new way forward?
- Performance - is what is being done by the organisation being completed to the standards and quality required?

It is also the board's job to see that the plan is regularly amended to keep it up to date.

The board is there to ensure accountability and governance. Throughout the process it is important that sufficient due diligence and probity is carried out to ensure excellence, regularity, and propriety is maintained to the highest standards.

A board member's core accountabilities

As a board member, there are 18 core accountabilities that you hold:

1. Learn and practise your role
2. Hold the vision
3. Ensure your board sets a definite direction
4. Ensure clarity and action
5. Ensure probity and governance
6. Hold managers to account
7. Use your experience to contribute
8. Be objective and logical
9. Be disciplined and methodical
10. Use time well
11. Be skilful
12. Do your own due diligence
13. Be diligent and probing
14. Guard against your own conflict of interest
15. Bring equality and respect diversity
16. Separate your role from that of managers
17. Collaborate with partners
18. Develop yourself and your colleagues

What makes an exceptional Non Executive Director? - The Whitehead Mann Leadership Debate

What is the real role of a NED and what makes an exceptional one? These are the questions which Whitehead Mann set out to explore in its research.

Over the last few years there has been the most extraordinary scrutiny of the role of the NED from industry itself, academia and the public sector.

There have been a host of reports, reviews and recommendations looking into the responsibilities of the NED aimed at helping and improving how they work. But many NEDs still feel they lack clear guidelines in which to operate and which skills are required to be an effective board member. At the same time, executives are not sure what they want from their NEDs either.

This is a particularly interesting report and an important read for all chairs and independent members.

Read the report on the following link: http://www.wmann.com/knowledge_articles/ned.pdf