

Item 8 - Annex A

ANNUAL PERFORMANCE AND DEVELOPMENT REVIEWS FOR NON-EXECUTIVE MEMBERS OF THE ARB GOVERNANCE STRUCTURE

Introduction

1. The ARB recognises that the non-executive non-executive members of its governance structure are a most important and valuable resource. The success of the ARB in fulfilling its statutory duties and strategic objectives will depend, to a considerable extent, on the work and expertise of the non-executive members of its governance structure. Through an effective scheme of annual performance and development reviews, the ARB wishes to ensure that the efforts of non-executives are effectively aligned with the organisation's strategic objectives, to provide a means of developing individuals and to enhance overall performance. Gathering feedback about non-executive members of the governance structure is a valuable part of the process and is part of the role of all non-executive members.
2. On appointment, all non-executive members of the governance structure commit to engaging constructively in the annual performance and development review process. The purpose is to:
 - a. Give non-executive members an opportunity to reflect on their achievements and successes;
 - b. Provide non-executive members with an opportunity to learn from what has not gone as well as expected;
 - c. Give non-executive members time to agree with their reviewer areas of focus during the 12 months to follow;
 - d. Help non-executive members to identify any development needs to support them in their role.
3. These guidance notes are intended to assist all participants in the performance and development review scheme.

Responsibility

4. The responsibility for the overall operation of the scheme lies with the Chair of the Board, whose role in this context is to ensure that all non-executive members of the Board, statutory and non-statutory Committees, and other non-executives have an opportunity to discuss their performance annually, receive feedback and, where

necessary, are supported to improve any aspects of their performance that fall below expectations.

5. The process is designed to include a full discussion of performance between the reviewer and the non-executive. It encourages self-reflection on performance. Where performance is judged to be below expectations, the individual will be encouraged to improve and, where a development need requiring specific training is identified, the ARB will have a responsibility to provide that training in a timely manner.

Reviewers

6. a. In order to fulfil the Ministry of Housing, Communities and Local Government's terms and conditions of appointment for the Chair and the terms within the Framework Agreement, ARB will appoint an external, independent person to undertake the Chair's annual review.

The Chair of the Board will additionally nominate a registrant and lay member of the Board each year to conduct the Chair's review. The two nominated non-executive members shall seek feedback from the Chief Executive on the Chair's performance, from the Board and from any other stakeholders as they feel necessary to support the process.

- b. The Chair of the Board will review non-executive Board members and all chairs of statutory and non-statutory Committees, and independent non-executive members where another reviewer is not available.
 - c. The Chairs of the Policy, Audit, and Remuneration and Appointments Committees will review the external non-executive members of their committees
 - d. The Chair of the Professional Conduct Committee will review his or her respective committee non-executive members.
7. It is the responsibility of the member to prepare for the performance review meeting – including obtaining feedback on their performance from at least two colleagues who have observed their performance during the preceding year– and then reflect on their performance in the light of that feedback. The preparation should include consideration of ongoing or new work and development goals so that there can be appropriate discussion and agreement at the meeting. Non-executive members should seek to vary the individuals they approach for feedback from year-to-year.

Confidentiality

8. The outcome of discussions at performance reviews, including all finalised paperwork, will be confidential between the reviewer, the member and the Chair of the Board, who has overall responsibility for the scheme. The scheme will be administered by the Head of Finance and Resources.
9. The data collected and the records maintained in connection with the performance review scheme are used solely for the following purposes:
 - a. Review of performance of individual non-executive members and of the organisation as a whole;
 - b. Training and development: where a training/development need is identified, the reviewer will notify the Head of Finance and Resources in order that appropriate training/development can be provided.
 - c. In circumstances where the removal, termination or suspension from office/appointment is being considered then any matters relating to performance and development reviews may be shared with those considering removal, termination or suspension.
 - d. Reappointment: in cases where the member is eligible for consideration for reappointment, the outcome of performance reviews in each year of the term served by the individual will be a factor in the decision making.
 - e. Monitoring the fair, equitable and appropriate application and administration of the scheme.
10. All finalised performance and development review documentation will be held, on behalf of the Chair of the Board, securely at the ARB's office. All draft documentation (electronic and paper) between the reviewer and non-executive members should be kept by each party securely and destroyed once the final paperwork is completed and sent to the Head of Finance and Resources for secure storage on behalf of the Chair of the Board.
11. The performance review records will be accessible to the Chair of the Board, the Head of Finance and Resources and his or her administrator only.

All reviewers will have access to records relating to those individuals reviewed by them. All non-executive members will have access to their individual records.

The Department may wish to review the annual reviews of the Chair of the Board and of Board members.

Timetable

12. The annual performance meetings should take place for the review year commencing in April-all reviews should be completed by the end of August, with any exceptions being approved by the Chair of the Board.
13. There may be circumstances when it will not be possible to adhere to the performance review timetable, e.g. maternity leave, and appropriate alternative arrangements should be made in discussion with the relevant chair, and reported to the Chair of the Board.

The process

14. At the commencement of the process, each member will be sent the following by the Head of Finance and Resources:
 - a. These guidance notes;
 - b. A performance review form which will be pre-populated with their attendance record over the previous year (including the hearings attended by Professional Conduct Committee members) as well as any other activities they have undertaken during the year;
 - c. The competencies against which they were appointed (or any which may have superseded those at the time of appointment).
15. The member should complete the self-assessment of their performance. In doing so, they should consider:
 - a. The development actions agreed at the previous year's meeting;
 - b. Their performance against the competencies for their role;
 - c. Feedback that they have sought from at least two people who have observed their work for the ARB during the past year-this may be an executive or non-executive member of the ARB or another stakeholder;
16. The member should send the completed self-assessment to the reviewer at least 48 hours in advance of their meeting.
17. The reviewer and member should meet either in person or by telephone in order to review the self-assessment, for the reviewer to provide their feedback and to agree development actions for the year ahead.
18. It is the responsibility of the reviewer to provide a written draft of the performance review discussion and the associated actions, for agreement with the member and then the paperwork is signed by both.

19. The reviewer should forward the completed paperwork to the Head of Finance and Resources for secure storage.

Draft

Annex 1

Annual performance review for non-executive members of the ARB governance structure

Your name	
Position	
Review year	
Date of review	
Reviewer's name	

1. Self-assessment of your contribution to the work of the Board/Committee over the past year

Please complete this having taken into account:

- The development actions agreed at last year's performance review meeting
- Your performance against the competencies for your role
- Feedback that you have sought from at least two people who are familiar with your work for the ARB

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4. Development actions for improving your performance in the year ahead

To be agreed between you and your reviewer

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Your signature	
Date agreed by you	
Reviewer's signature	
Date agreed by reviewer	