



Event Summary

Working in Partnership: ALB and Departmental NEDs

Public Chairs' Forum (PCF) seminar with Sue Langley, OBE, Lead NED at the Home Office

16.00-17.30, followed by a drinks reception

9 June 2016

Seminar Room, Institute for Government, 2 Carlton Gardens, London, SW1Y 5AA

We were delighted to welcome Sue Langley OBE, Lead NED at the Home Office, to speak to our members at our seminar on 9 June. When Sir Ian Cheshire spoke at the PCF conference in October last year, he highlighted a real opportunity for public sector NEDs on Departmental Boards and on ALB Boards to work in partnership to help lead the transformation agenda. This seminar was an opportunity to continue those discussions and build on this engagement with the Departmental Board NEDs with Sue, who is leading on this particular area of work.

Sue was keen to emphasise that the level of engagement between ALBs and departmental NEDs is often dependent on the individuals. The Home Office are a department with NEDs that are particularly proactive in this space, however there are many others who have significantly less contact with their ALBs. One of the main challenges is the amount of time NEDs are able to dedicate to their ALBs, as most are only contracted to work around 12-15 days per year and often have other commitments.

Sue reiterated some of Sir Ian Cheshire's priorities, as Government Lead NED, to achieve a more consistent and collaborative relationship between public bodies, departments and NEDs across key areas such as talent and diversity, supporting the delivery of single departmental plans, major projects and offering advisory services in their area of expertise and risk management. Sue also noted the potential of departmental NEDs to add value to reviews of ALBs, classification work, public appointments, and acting as critical advisors and a useful channel of communication between ALBs and Ministers.

The discussion was then opened up to attendees for Q&A. Sue was keen to hear members' views on how departmental NEDs can build the right relationships with their ALBs.

Some of the key points from the roundtable discussion included:

- Members agreed that the role of a chair can be fairly isolating and there is great value in having the **opportunity to engage with others at a senior level**, such as NEDs.
- NEDs could offer **mentoring** opportunities.
- NEDs have **expert skills** which ALBs can learn from. For example a member noted that one BIS NED is also Chair of the Audit and Risk Committee and it has been extremely useful to invite them to their internal audit meetings.
- One member suggested that NEDs could be a useful tool in the delivery of **cross-functional reviews**.
- It was felt that a good relationship between ALBs and their departmental NEDs **should not be dependent on the appetite of the individuals**. Some members would like a clear framework detailing how departments should work with ALBs and the role of NEDs within that. Members were pleased to hear that the Public Bodies reform team are currently undergoing work to try to understand the lack of engagement from some departmental NEDs.
- Some attendees felt NEDs work best with **statutory functions** and clear direction on what to be involved with. However, others noted there is a danger that standardising NED engagement may turn the relationship

into a 'ticking boxes' exercise. Sir Ian Cheshire's toolkit will aim to identify best practice for working with ALBs, rather than regiment specific ways of working.

- Members would like some form of **briefing for departmental NEDs** on how to engage with ALBs when they first take up their role, including outlining **rules of engagement** for specific tasks, such as giving evidence to select committees. The MoJ are currently looking at how they induct their NEDs, and if chairs have any thoughts in this space, they are encouraged to get in touch with Alison Wedge, who is leading on this work.
- **The NAO review of sponsorship**, which is due to be published on 5th July, will outline recommendations for the role of Cabinet Office, sponsoring departments and ALBs, and is expected to act as a catalyst for change in building stronger relationships with NEDs. Lesley-Ann Nash, Director of Public Bodies Reform, confirmed that there will be a formal government response to the review, which the PCF offered to help with.
- It was noted that a **chairs forum** is a useful route of engagement for NEDs.
- One department has taken the approach of identifying their 'high risk' ALBs to engage with, however, the importance of maintaining good standard of delivery across all ALBs was also highlighted.
- NEDs can also add value to **building cross-government initiatives**, for example in areas such as digital reform.
- There needs to be a **change in language**, rather than thinking about the relationship between department and ALB, we should be thinking about how to achieve more efficient service delivery in partnership. NEDs can be a useful tool to get ALBs on the agenda within departments.
- Some members felt **NEDs should be encouraged to approach their Permanent Secretaries with ideas** to where they think they can add most value. Although one challenge is that NEDs have a limited amount of direct contact with ministers and building these relationships takes time.
- It is also important to ensure that ideas are central to the purpose of the organisation. It was suggested that **Chairs use NEDs to challenge specific issues**.
- Chairs were keen to emphasise that the high **quality of ALB NEDs** and encourage departments to learn from their experiences and expertise too.

The PCF is very supportive of the move towards improving public body engagement with departmental NEDs and would welcome the opportunity to assist in the development of this work.