

Publica Board – Governance action plan

Ref:	Recommendations	Lead	Timescale*	Outputs/actions and <i>Outcomes</i>	Notes and Progress
	The Shareholder Relationship				
1.	The shareholders should review the list of matters reserved for them in Publica's constitution	JB/SP	01/02/2021 to 31/07/2021	<ul style="list-style-type: none"> Shareholders and Publica to review and confirm or agree any changes to reserved matters <p><i>Reserved matters remain fit for purpose and there is shared clarity about the context for formal engagement</i></p>	<p>Addressed at Shareholder Forum meeting on 29/07/21. No changes made</p> <p>Action complete</p>
2.	The MRB should be reinvigorated and formalised	JB/SP	01/02/2021 to 31/10/2021	<ul style="list-style-type: none"> Schedule of shareholders' meetings agreed Clear terms of reference developed Engagement process for other members discussed and agreed with shareholders <p><i>Councils' interests as Shareholders are safeguarded through effective engagement with and oversight of Publica</i></p>	<p>First meeting of Shareholder Forum held on 29/07/21 addressed outputs & actions and draft Terms of Reference</p> <p>Terms of reference to be finalised at next meeting.</p>
3.	A comprehensive Shareholder communications plan should be developed and agreed	JB	01/02/2021 to 31/12/2021	<ul style="list-style-type: none"> Comprehensive member communications plan prepared and agreed by Board and shareholders' meeting <p><i>Board visibility and transparency of decision making improves for all members</i></p>	<p>To be prepared for future meeting of Board, looking to strengthen links between Board members, Councils and staff.</p>

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4.	The current membership of the Board should be partially refreshed	JB/SP	01/11/2020 to 28/02/2021	<ul style="list-style-type: none"> Recruitment campaign run for new Chair and new Board member to lead on risk and audit Appointment and induction of new Chair and new Board member <p><i>Shareholders perceive Board as more orientated towards councils' needs and Board skills enhanced</i></p>	<p>Board Chair and Chair of Audit & Risk Assurance Committee appointed and in post.</p> <p>Links to Rec. 10 & 12</p> <p>Action complete</p>
	Board Effectiveness				
5.	Board's role in risk management and ensuring an appropriate system of internal control to be defined and documented.	FW/SP	01/03/2021 to 31/07/2021	<ul style="list-style-type: none"> Report to first meeting of Audit and Risk Committee defining its role (and the role of the full Board) in risk management and internal audit and how this is reported to the shareholders' meeting <p><i>Board and shareholders have clear understanding of the Board's role</i></p>	<p>Board report on revised governance arrangements, including Terms of Reference for ARAC (Audit & Risk Assurance Committee) approved on 21/05/21.</p> <p>First meeting of ARAC held on 23/07/21.</p> <p>Links to Rec. 6</p> <p>Action complete</p>

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6.	Board creates a formal audit and risk committee.	FW/SP	01/03/2021 to 21/05/21	<ul style="list-style-type: none"> Audit and Risk Committee established <p><i>Stronger focus on audit and risk management</i></p>	<p>Audit & Risk Assurance Committee established. First meeting held on 23/07/21.</p> <p>Links to Rec. 4, 5, 10 & 12</p> <p>Action complete</p>
7.	Board holds an effectiveness workshop or away day that is externally facilitated to explore ways of working and its approach to the design of its work	Chair/JB	01/07/2021 to 31/03/2022	<ul style="list-style-type: none"> Externally facilitated away day held <p><i>Board's effectiveness is strengthened</i></p>	<p>Links to Rec. 14</p>
8.	Board meetings should be reshaped to support the Board's discussion and decision making	JB/SP	01/03/2021 to 31/10/2021	<ul style="list-style-type: none"> Report template reviewed so recommendations are at the start MD's report refocussed to be high-level 'state of the nation' report Action log introduced to augment minutes Chair's introduction to Board meetings outlines key decisions <p><i>Board meetings are more focused on key strategic decisions</i></p>	<p>Board agenda reshaped to focus on strategic issues first and then business items.</p> <p>Action log introduced.</p> <p>Member Councils' Cabinets invited in turn to attend Board meeting for strategic discussion.</p> <p>Forward Plan amended to reflect new approach.</p> <p>Action complete</p>

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9.	Develop additional core governance documents to bring Publica into line with good and expected practice	JB/FW/SP	01/12/2020 to 31/03/2022	<ul style="list-style-type: none"> • Role Description for Chair and other Board members produced • Standing Orders reviewed • New policies on Board recruitment, remuneration, succession planning and conflicts of interest produced • Board Code of Conduct produced <p><i>Board governance is improved</i></p>	<p>Role description for new Chair and Chair of Audit & Risk Assurance Committee prepared and used in recruitment pack.</p> <p>Shareholder representatives approved revised remuneration, linked to agreement on term.</p> <p>Business Conduct Policy (covering Board members and staff) reviewed by Board on 06/08/21.</p> <p>Links to Rec. 10 Standing Orders and policies link to Rec. 13</p>
	Board composition and development				
10.	In line with recommendation 6, the Board should increase its membership by one NED in order to recruit someone who can be an effective and suitably skilled chair of an audit and risk committee.	JB/SP	01/11/2020 to 28/02/2021	<ul style="list-style-type: none"> • Recruitment campaign run for new Chair and new Board member to chair risk and audit committee. • Appointment and induction of new Chair and new Board member <p><i>Board skills and experience enhanced</i> <i>New appointments supported by Shareholders</i></p>	<p>New NED appointed to chair new Audit and Risk Assurance Committee.</p> <p>New Chair appointed.</p> <p>Links to Rec. 4, 6 & 12 Action complete</p>

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11.	Revisit the question of councillor membership of the Board in 12 months' time	JB	01/09/2021 to 31/12/2021	<ul style="list-style-type: none"> Discussion and agreement with shareholders' meeting <i>Shareholder agreement on councillor membership of the Board</i>	To be discussed at future Shareholder Forum.
12.	NED recruitment should look to recruit expertise in commissioning and in local government environments and operations, place emphasis on the diversity of the Board make-up and, if possible, enhance the collective NED experience of the Board	JB/SP	01/11/2020 to 28/02/2021	<ul style="list-style-type: none"> Recruitment campaign run for new Chair and new Board member to lead on risk and audit Appointment and induction of new Chair and new Board member <i>Board skills and experience enhanced</i>	New Chair and NED to chair new Audit & Risk Committee appointed. Links to Rec. 4 & 10 Action complete
13.	To reflect good practice, a fixed term for NEDs and the minimum and maximum permitted size of the Board should be agreed and specified in governance documentation	JB	01/11/2020 to 31/03/2022	<ul style="list-style-type: none"> Fixed term for NEDs and minimum and maximum size of Board included in revised governance papers and agreed with Shareholders <i>Board and Shareholders have clarity on term for NEDs and size of the Board</i>	Appointment term for new Chair and NED agreed by Shareholder representatives as 3 years with possibility of extension. Terms for original NEDs to be agreed at future Shareholder Forum. Links to Rec. 9
14.	In 12 months' time the Board should – as part of its annual effectiveness review – look to undertake a 360-degree review of all directors' contributions to the Board.	Chair/JB	01/07/2021 to 31/03/2022	<ul style="list-style-type: none"> Annual effectiveness review linked to externally facilitated away day and review of directors' contributions included <i>Reflect on and improve Board effectiveness</i>	Links to Rec. 7

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15.	The development needs of individual Board members should be met.	Chair/SP	31/03/2021 to 31/03/2022	<ul style="list-style-type: none"> Annual programme of Board learning and development agreed <i>Board skills are enhanced</i>	Annual training & awareness sessions included in Board agenda. Other development needs to be assessed after review of directors' contributions Links to Rec. 14
16.	An annual appraisal process should be developed for individual directors including the Chair.	JB/SP	01/03/2021 to 31/03/2022	<ul style="list-style-type: none"> Annual appraisal process developed for all Directors <i>Board development and succession planning is informed by appraisal process</i>	Exec Directors' appraisals to be combined with their appraisals for their substantive role Links to Rec. 14
17.	The existing annual Board effectiveness review process should be strengthened	Chair/JB	01/03/2021 to 31/03/2022	<ul style="list-style-type: none"> Policy on annual effectiveness review produced <i>Board effectiveness is improved</i>	Links to Rec. 7 & 14
	Performance oversight				
18.	A new set of KPIs should be agreed, building on the work already in train	SP	01/02/2021 to 30/09/2021	<ul style="list-style-type: none"> New Key Performance Indicators produced and agreed with Shareholders <i>Shareholder assurance of Publica Board delivery improves</i>	Performance monitoring system has been reviewed and is evolving. KPIs being agreed with each Council. Action complete

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19.	The Board's collective engagement in performance oversight should be developed, including equipping NEDs with the right level of operational understanding to be strategically effective	JB/SP	01/03/2021 to 31/12/2021	<ul style="list-style-type: none"> Board agenda reviewed to encourage greater challenge and scrutiny on performance, including periodic deep dives into Business Plan strategic actions NEDs supported to have greater engagement with Councils/services <p><i>Board develops and maintains good overview of performance across all service areas</i></p>	<p>Board agenda reshaped as part of governance review. Detailed reports on KPIs will still be available but Board's focus will be on performance matters of strategic importance.</p> <p>December 2021 Board meeting will test approach is working.</p>
20.	The adequacy of financial reporting to the Board should be reviewed	FW	01/11/2020 to 30/04/2021	<ul style="list-style-type: none"> Board discussion held to agree whether any changes in practice are required to support it in discharging its responsibilities to Shareholders and Publica <p><i>Adequacy of financial reporting agreed by Board</i></p>	<p>Forward plan for new Audit & Risk Assurance Committee includes detailed financial performance reports, with key reporting continuing to be presented to the Board as required.</p> <p>Action complete</p>

Key:

JB = Jan Britton, Managing Director

FW = Frank Wilson, Finance Director

SP = Sue Pangbourne, Executive Director

*Timescale for some actions has been extended to give time for new Board Chair to influence plan and take account of Covid and Executive Director vacancy.