

**The Government  
Lead Non-Executive's**

**Annual Report 2019-20**



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## Introduction

This has been an extraordinary year for both the Civil Service and the Non-Executives. The election of a new Government, preparing for exiting the European Union (EU), and the impacts of Covid-19. We also said a sad goodbye to Sir Ian Cheshire who stepped down after serving five dedicated years as the Government Lead Non-Executive. We would all sincerely like to thank him for his time and efforts.

Every one of our Non-Executive Directors (NEDs) join for the difference they can make to each of our government departments. With different skillsets and experience, they offer challenge, support and advice in a range of different ways. Through our departmental board membership and behind the scenes support and work, we aim to improve and streamline governance across Whitehall. We also work on building leadership and management teams and help the Government with its ambitious aims of improvement and modernisation.

The challenge of Covid-19 has been unprecedented and, like many others, NEDs have had to adapt. We have supported departments as they implemented new ways of working, while prioritising and maintaining key services. Governance systems and strategic oversight have been critical during these difficult times. Different departments have been impacted in different ways and consequently the non-executives were deployed very flexibly to focus on the areas where their skills could add the most value.

2020-21 promises to be a year of both challenge and opportunity for Government. It has set itself an ambitious modernisation programme that will also seek to move a number of Civil Service roles out of Central London. This, together with the impact of Covid-19, economic recovery, and the EU Withdrawal Agreement, are not insignificant challenges. Meeting the expectations of the public for world class services against major fiscal challenges will require creative new ways of working and an exceptionally strong commercial focus.

As NEDs, our unrelenting priorities will remain strategic clarity; commercial sense; talented people; and, achieving the priorities of the Government. Any strategic decision needs high-quality, objective analysis of the options available and effective governance of delivery. We believe that having a mix of diverse people with different skills and backgrounds around the table, with an equal voice, really does help make this possible. Providing this challenge and support is a fundamental role for non-executives and we will all continue to play our part across government.

We very much appreciate the effort and focus that everyone has brought to their roles and departments and register our thanks to all of the Government NEDs and support teams for their work in difficult times and look forward, with my peers, to supporting departments with the challenges of the coming year.

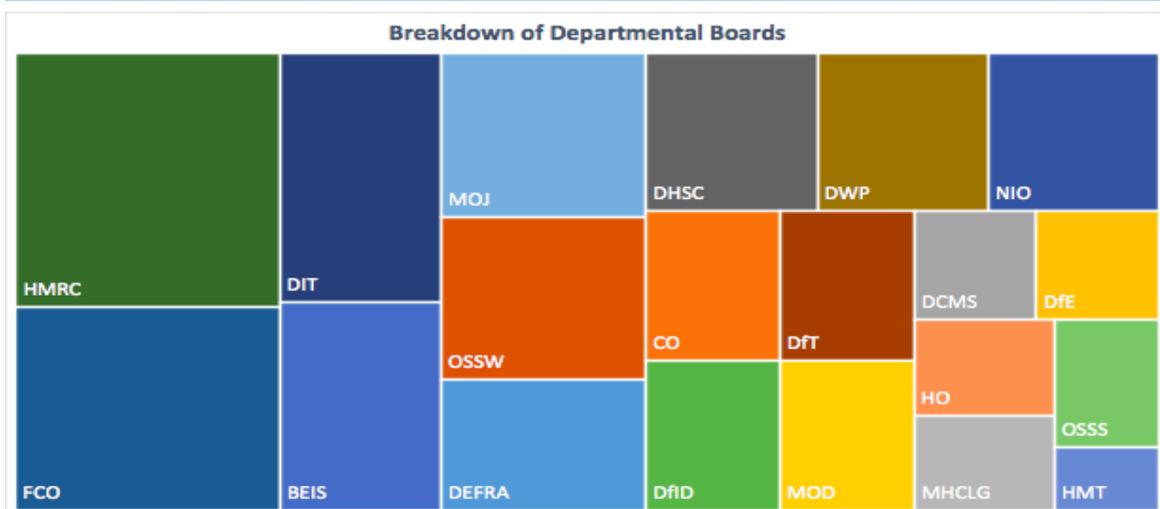
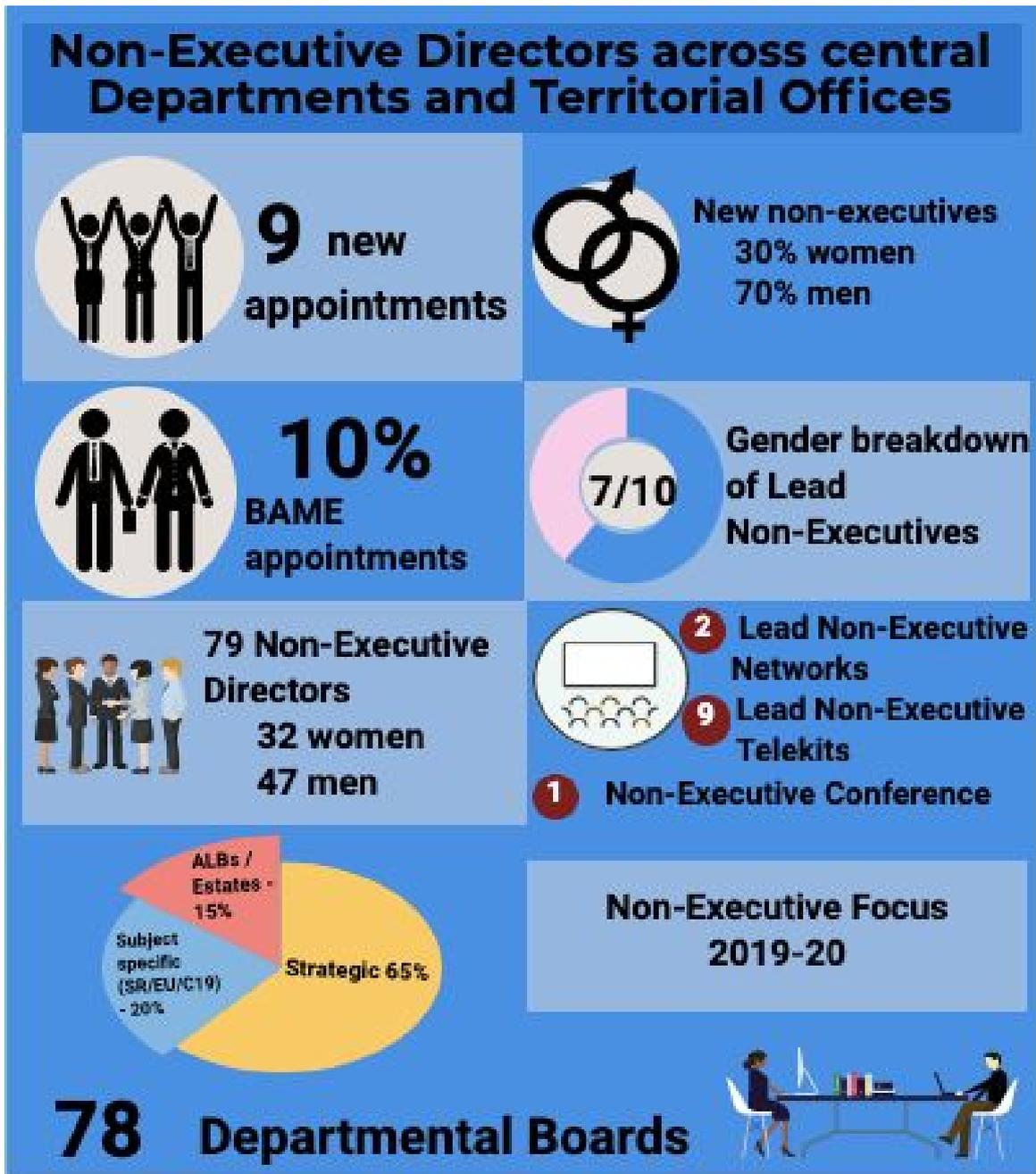
### **Lord Nash**

Government Lead Non-Executive  
*(appointed July 2020)*

### **Sue Langley**

Interim Government Lead Non-Executive  
*(up to July 2020)*







## Review of the Departmental Board Programme in 2019-20

This year marks the ninth year since the introduction of the Departmental Board model. This model brings together non-executives, ministers and civil servants at departmental boards, chaired by the relevant Secretary of State. It is set out in the [Code of Good Practice on Corporate Governance in Central Government Departments \(2017\)](#) ('the Code').

Departmental boards bring the right people together to provide advice and challenge, so that ministerial priorities can be delivered as effectively and efficiently as possible. Boards are focused on getting policy translated into results - giving advice and support on the operational implications and effectiveness of policy proposals. They do not exist to provide policy advice - policy is decided by ministers, with advice from officials. The departmental board model is well established, but it remains vital to keep momentum and this period has seen variation in the functioning of boards as part of a crisis response.

NEDs have been brought into government to provide scrutiny, support and challenge. They exercise this role through influence and advice, supporting as well as challenging the executive. NEDs advise on performance (including agreeing key performance indicators), operational issues (including the operational/delivery implications of policy proposals), and on the effective management of the department. They also chair committees responsible for audit and risk assurance and nominations, as part of departmental governance. NEDs also make a substantial contribution outside of the board room; taking on extra roles both within departments and across Government including:

- leading annual performance reviews of Permanent Secretaries;
- providing informal advice and support to officials and ministers;
- taking part in appointment exercises within departments and in their wider departmental family organisations; and
- supporting the scoping of projects and acting as a trusted sounding board for early ideas.

The departmental case studies, set out in Annex 1, provide examples of the activities being driven by non-executives.

### Who are Government Non-Executives?

Each government department has a board made up of ministers, senior civil servants and non-executives. The boards are advisory and supervisory and do not take policy decisions, which rightly remain the remit of ministers. This year the number of non-executives slightly decreased to 79 across 20 central government ministerial departments (including HMRC and 3 Territorial Offices)<sup>1</sup>. There is a full list of non-executives at the end of the report.

Non-Executives are accountable to the Chairs of their Boards (Secretaries of State). In each non-executive team, there is a lead non-executive who has additional responsibilities to work with the Chair and Permanent Secretary.

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<sup>1</sup> The departments are: BEIS, CO, MHCLG, DCMS, Defra, DFE, DFID, DFT, DHSC, DIT, DWP, FCO, HMT, HO, MOD, MOJ, one non-ministerial department (HMRC), and 3 Territorial offices (Scotland Office, Wales Office, Northern Ireland Office).

Contrary to some expectations, the primary contribution made by non-executives is not in Board meetings, but in their wider work in departments on key themes (e.g. talent, systems, and risk management). Board meetings are important checkpoints in the process, but significant time is spent outside them helping to deliver ministerial priorities. The case studies included later in this report highlight the huge range of activity non-executives are involved in. It is worth drawing out in particular the role of non-executives in supporting the recruitment of senior officials, including Permanent Secretaries, Directors General and Chief Executives of agencies.

Maintaining the high quality of non-executive appointments, drawn from a diverse pool, will be an important challenge for the new Government Lead Non-Executive when appointed, alongside meeting the challenge of continuing to improve diversity.

## **Supporting Board Chairs**

The Board model hinges on the tripartite of ministers, officials and non-executives, with the latter providing crucial challenge and advice to both other parties. As in the private sector, the Chair and CEO may change, but within Government this can happen at very short notice. During 2019-20 there has been a number of changes to both Secretaries of State and junior ministers which has meant non-executives have provided stability, continuity and an impartial view of a department's challenges as it transitioned to a new leadership and Government.

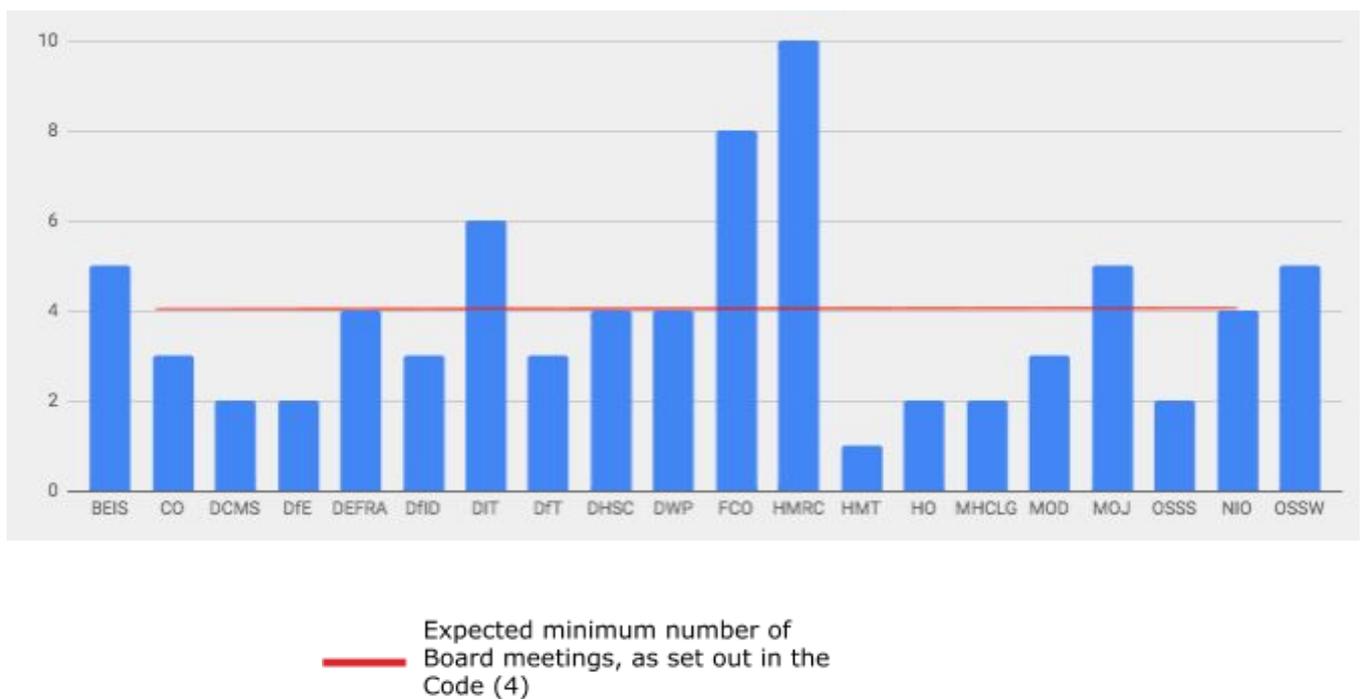
## Board Meetings

### Frequency

In 2019-20, 78 departmental board meetings were held across 20 central Government ministerial departments (including HMRC and 3 Territorial Offices)<sup>2</sup>. This represents an average of 4 meetings per department, meeting the required minimum of four meetings per department per year. The average number of meetings remains consistent with previous years.

This year has seen fewer department board meetings than previous years; due in part to Covid-19 and introducing alternative governance systems to manage decision making through a critical period. As **Figure 1** illustrates, half have still met at least four times.

**Figure 1 : Number of Departmental Board meetings held in 2019-20**

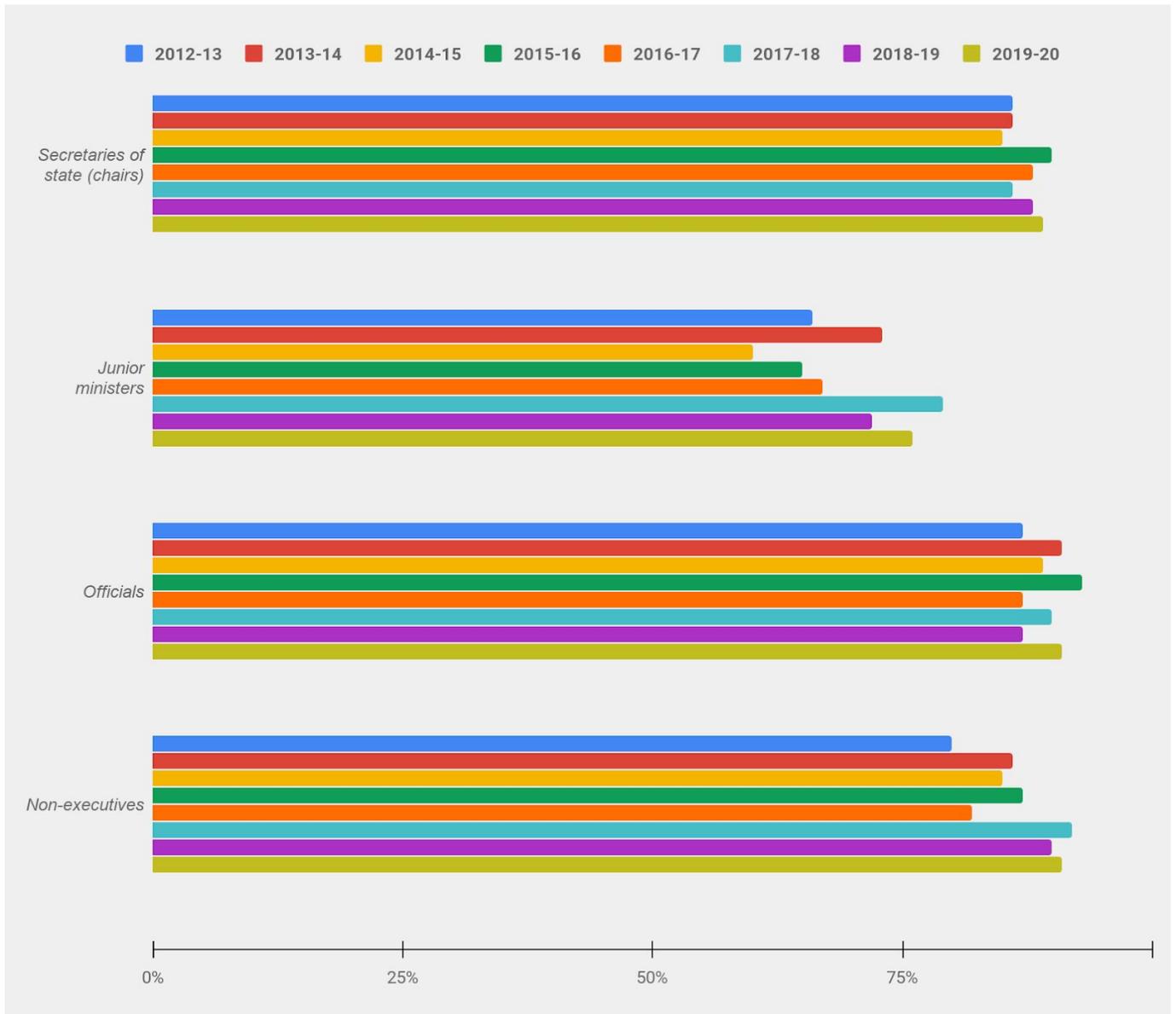


<sup>2</sup> The departments are: BEIS, CO, MHCLG, DCMS, Defra, DFE, DFID, DFT, DHSC, DIT, DWP, FCO, HMT, HO, MOD, MOJ, one non-ministerial department (HMRC), and 3 Territorial offices (Scotland Office, Wales Office, Northern Ireland Office).

## Attendance

Overall attendance at Board meetings remains high, at 87% (3% higher than 2018-19). **Figure 2** illustrates all of the constituent groups of Board membership, and indicates a relatively consistent level of engagement in each category. All levels of attendance show an increase on the previous year, and compare favourably to the 2012-13 baseline.

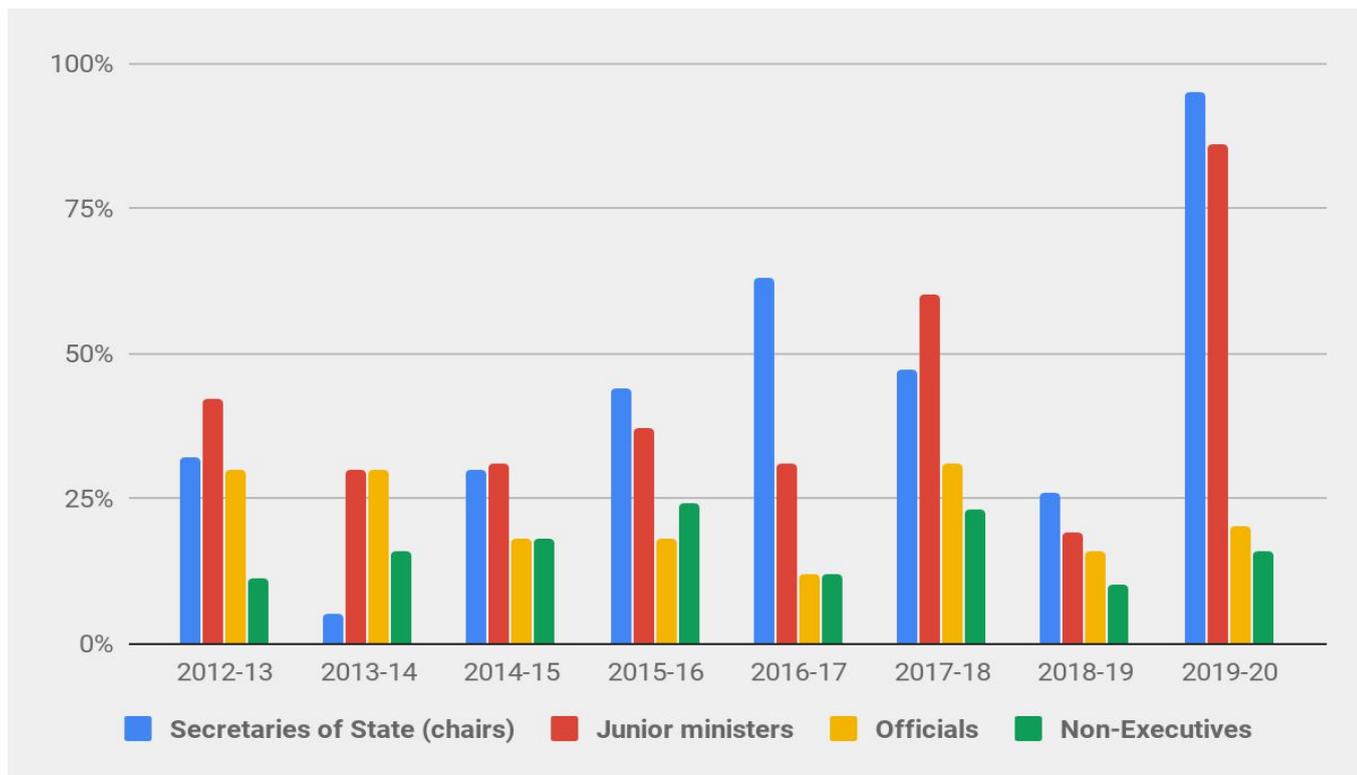
**Figure 2 : Attendance at Departmental Board meetings**



## Turnover

As shown in **Figure 3** there has been a higher turnover of both Secretaries of State and junior ministers this year compared to the previous one, due to the General Election in December 2019. Non-executive turnover was 16% and, as a result, has provided continuity during periods of change.

**Figure 3 : Turnover of Departmental Board Members**



## Non-Executive Board Members

There are now 79 Non-Executive Board members across 20 Central Government ministerial departments (including HMRC and 3 Territorial Offices).<sup>3</sup> A list is provided in [Annex 2](#) (up-to-date details can be found on departmental websites).

Non-Executives are appointed on merit by the department's Secretary of State and all roles are advertised on the Cabinet Office's [Centre for Public Appointments website](#). Non-Executives on central government departmental boards are recruited primarily from the commercial sector and generally have experience of managing large and complex organisations.

## Skills

In the last year, talented people have joined our non-executives network with experience from highly varied organisations, such as: Premier Inn, Greene King plc, Land Securities plc, Unilever, Public Health England, Metropolitan Police, GB Railfreight, BNP Paribas, Ford UK and BPU Chartered Accountants.

<sup>3</sup> The departments are: BEIS, CO, MHCLG, DCMS, Defra, DFE, DFID, DFT, DHSC, DIT, DWP, FCO, HMT, HO, MOD, MOJ, one non-ministerial department (HMRC), and 3 Territorial offices (Scotland Office, Wales Office, Northern Ireland Office).

Departments have continued to make strong appointments in areas of identified skills gaps such as: digital, technology, trade, finance, data, change and talent management.

## Diversity

I remain committed to improving the gender and diversity appointment levels as part of meeting the wider challenge of the Public Appointments Diversity Action Plan<sup>4</sup>, which notes that:

*“Inclusive and diverse public boards are more effective, better able to understand their customers and stakeholders, and benefit from fresh perspectives, new ideas, vigorous challenge and broad experience.”*

Diversity is a high priority for both the Minister for the Cabinet Office and the Head of Civil Service. It should be reflected in non-executive appointments. They must be drawn from a high quality and diverse pool, both in terms of backgrounds and skills. I will continue to promote diversity among new non-executive appointments and am pleased that this is an improving ratio for the last few years. At 31 March 2020:

- ethnic minorities appointees made up 10% of non-executives; and
- female non-executives made up 40.5% of non-executives.

These figures compare well with both FTSE100 and FTSE 250 companies where in 2019 female non-executive board members made up 38.9% and 32.8% respectively of the total number.<sup>5</sup> I am particularly pleased to report that Departmental Lead NED appointments have achieved 41.2% women.

## Talent work

The Talent Action Group (TAG) has been in place since 2015 and is chaired by Mervyn Walker (Lead NED, HMRC). The group meets on a quarterly basis and continues to play an important role in supporting talent management across government. The aims of the group are:

- to encourage good talent development within departments;
- to share best practice across departments; and
- to promote the value of non-executive involvement in talent development.

In the period of April 2019 to March 2020, TAG members have:

- attended launch events for accelerated development schemes and hosted leadership events for cross-scheme participants;
- joined selection panels for accelerated development schemes, providing critical challenge to the selection processes and giving feedback to candidates;
- engaged on the revision of guidance to NEDs involved with talent management which is due to be published later in 2020;
- delivered induction events for Directors General (DGs) and development sessions for new DGs on how to work effectively with Civil Service Boards and NEDs;
- contributed to talent management activities for DGs and Directors through development discussions at Board level; and

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<sup>4</sup> Public Appointments Diversity Action Plan

<sup>5</sup> Vinnicombe, S; Atewologun, D; Battista, V - p.6 (2019) "[The Female FTSE Board Report](#)", Cranfield University

- provided critical challenge on the development of Leadership in Action<sup>6</sup> and the Talent assurance process.

Non-Executives have also supported talent management activities across departments in addition to being represented on departmental boards. These activities include participating in recruitment panels, talent assessment and moderation of talent ratings and partnering with senior leaders to provide advice and guidance. In addition, Lead non-executives have contributed to performance management of Permanent Secretaries, including holding formal appraisal discussions as part of the end of year process, and preparing a report to support the Cabinet Secretary's formal performance review.

The structure of the cross-departmental Civil Service talent strategy and governance groups has changed over time. There is currently NED representation on several groups, including on the Senior Leadership Committee, which is the most senior talent-focused group with overall responsibility for talent strategy and the development of the DG community.

The Leadership and Talent Board (sub-board to SLC) also had a NED represented on the Board, helping shape the future of talent and leadership strategy in the Civil Service. In 2020 and beyond, the involvement of non-executive members in talent activities may change as the Leadership and Talent Board has merged with the People Board, Civil Service HR has re-structured and there is a new incoming government Lead NED. The expectation is that talent will continue to be an important cross-cutting issue where NEDs can add significant value.

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<sup>6</sup> <https://civilservice.blog.gov.uk/2020/04/01/leadership-in-action/>

# Role of the Interim Government Lead Non-Executive



While in role Sir Ian Cheshire met regularly with Secretaries of State, Permanent Secretaries, Non-Executives and others. In terms of Network engagement this was a challenging year with changes including a new government, a focus on EU Exit and latterly the early impacts of Covid-19. During 2019-20 we have held an Audit & Risk Committee Chairs Conference; a Lead Non-Executives Network; an All Non-Executives Conference; and, a Joint Permanent Secretaries and Lead Non-Executives seminar focused on EU Exit No Deal preparedness which heard from the Chancellor for the Duchy of Lancaster, Cabinet Secretary, and Permanent Secretary DExEU.

As Home Office Lead Non-Executive I took on the additional role of Interim Government Lead Non-Executive and led the initial non-executive response to Covid-19. Within the case studies at the end of my report are varied examples of the ways in which non-executives have added value to the work of departments over the last year, including support after the General Election and preparations for new ministers, Commonwealth Games planning, Arms' Length Body (ALB) relationships, Rural Boards and enabling partnership working between banks and digital systems to enable access to UC payments, to name but a few. I am also pleased to advise that the Lead non-executives have again provided in depth support to the annual performance process for Permanent Secretaries adding a layer of openness and transparency to the conversations and providing an independent assessment.

The year has been a truly remarkable one for the government, culminating in the Covid-19 pandemic response which saw the delivery of an enormous cross-government effort on many fronts. Moreover, much of this response was delivered in record time, including working with the NHS, business sector, local authorities and other major sectors in a completely new and unprecedented way. All alongside the challenge of many civil servants and non-executives delivering their roles from home.

A new Government Lead Non-Executive will be appointed shortly and the identification of cross-cutting priorities will, rightly, be reserved for identification by the new role holder. However, I ask non-executives to lean in on the challenges and to support the work of their departments. As the government returns to business as usual it will be important to ensure departmental boards continue to be a critical part of department structures.

I would like to thank all the non-executives for their hard work and support to the new government, ministers and officials. I am confident that as a network we are stepping up where we can and offering thinking on how to re-engage the economy of the nation. I, and my non-executive colleagues, will endeavour to continue to support and advise departments as the country moves towards the recovery phase of the pandemic, to EU exit and beyond.

Finally, I would like to thank the 21 non-executives who left over the last year and welcome 9 new non-executives to the network.

## Priorities for the NED Network and the year ahead

My focus has been to bring together and coordinate the efforts of the network to ensure their contribution is as effective as possible. For 2019-20 this saw a continued focus on areas where non-executives are particularly well placed to add value, and support the priorities of both the Cabinet Secretary (and Head of the Civil Service), and the Chief Executive of the Civil Service.

The year has offered significant change with a General Election, EU Exit preparedness and latterly Covid-19, resulting in fewer formal events and a request that each non-executive focus on how they support their departments through what has been - at times - a changeable and occasionally difficult landscape.



2020-21 will see the Network reflecting and acting on how it can best support the Government's priorities. This will include how we help our departments in readying their services for life outside the EU and its wider implementation of the changes required; supporting department readiness for a Comprehensive Spending Review and recovering from the Covid-19 pandemic.

The new Government Lead Non-Executive will set the overarching priorities for the Network during 2020-21 and, as a Network, we all look forward to working on these.

## Annex 1: Department Case Studies from Lead Non-Executives



**Mike Ashley**  
Non-Executive &  
ARAC Chair

Cabinet Office  
Non-Executive

### Providing vital support to the Department

In February 2020, HM Treasury requested that all departments conduct an efficiency review to unlock 5% savings. To conduct this in a systematic and transparent way at the Cabinet Office, Minister of State Lord Agnew launched a series of panels to scrutinise key business units within the Department to look for activities that could be stopped or deprioritised. Non-Executive Board Members sat on almost every panel to offer independent, external advice on the difficult decisions facing the leadership of the Department.

As a result of this rapid exercise, an agreed set of savings was submitted to CST and the HMT by the required deadline of the 2 March, which was the primary purpose of the intervention. However, what became clear during the sessions was that much more work was required to ensure the Department's activity was focused on the Chancellor of the Duchy of Lancaster's priorities.

In order to do this, the approach taken in February was expanded upon and, since June, the Department has been conducting a thorough zero-based review of every business unit. In recognition of the value of the non-executive's role on the panel in February, two NEBMs (Gisela Stuart and Baroness Finn) were appointed to the working group and have been at the forefront of this vital project for Cabinet Office, the results of which we will see this autumn.



**Charles Alexander**  
Lead Non-Executive

Department for  
Digital, Culture,  
Media and Sport

### Providing constructive scrutiny and support on a wide range of issues

DCMS has grown into a major department of industrial, cultural and social significance and the non-executives' constructive challenge and specific application of skilled assistance contributed to the Departments' continued progress.

During a year that started with the transition of a new Permanent Secretary, experienced an unexpected General Election, and ended with the onset of the Covid-19 Pandemic, non-executives focused on three challenges:

- 1) Support for internal reinforcement of strategic management transformation (strategic, digital, talent attraction);
- 2) Deliverability and continuity of execution of departmental objectives at a time of ministerial changes, both before and after the General Election; and
- 3) Response to Covid-19: internal reorganisation and external impact on DCMS sectors.

Individually non-executives contributed to a range of policy areas, including, but not limited to, the 4th National Lottery License, Cyber Security, Covid-19 support packages and the Commonwealth Games.



**Archie Norman**  
Lead Non-Executive

Department for  
Business, Energy and  
Industrial Strategy

## Supporting the Department through a period of change

The last 12 months have seen a great deal of change. Most of this reporting period has been largely dominated by preparing for EU Exit, with or without a deal, and on moving into the transition period. The end of the reporting period has, of course, been dominated by the Covid-19 pandemic and the Government's response to that. In both of these events, BEIS has played a central role in preparing and planning for the UK's economic future.

The Board has also seen a period of change. It has been led by three different Secretaries of State, with largely different ministerial teams, and there have also been significant changes in the Department's senior team. The membership of the non-executive board members has not changed since last year and provides continuity and support to the Department. The Department's non-executives continue to be engaged in departmental business, providing challenge, valuable expertise and an independent voice across a range of areas.

The Board has come together in both formal and informal settings to help drive the departmental agenda and, more recently, provide advice and support as the Department responds to the Covid-19 pandemic. The Department's Audit and Risk Assurance Committee, led by Nigel Boardman, has been very active and has continued to provide independent challenge and scrutiny. It has helped to improve the way that the Department approaches risk, as well as the assurance and compliance environment, and has actively fostered links with the ARAC committees in the Department's Partner Organisations.

Looking at the year ahead, it will continue to be challenging for BEIS as the Department's delivery agenda has grown substantially. I, and my non-executive colleagues, will endeavour to continue to support and advise the Department as the country moves towards the recovery phase of the pandemic, to EU exit and beyond. I wish to thank the dedicated and excellent staff for their vital work and look forward to continuing to support them as they work to deliver the government's objectives, which are vital on both the national and international stage.



**Marc Bolland**  
Lead Non-Executive

Department for  
International  
Development

## Taking the lead at a challenging time for the Department

In 2019-20 DfID's Lead NED, Marc Bolland, led a group of NEDs from other international departments to apply the expertise gained from their positions in international leadership outside of the public sector. A short report was produced that brought that expertise to bear on the question of how to achieve greater strategic alignment of the UK's international work.

The report made several recommendations to the Permanent Secretaries of each department.



**Richard Pennycook**  
Lead Non-Executive

Department for  
Education

## **Providing support, expertise and scrutiny during challenging times**

My non-executive colleagues, Ruby McGregor-Smith, Irene Lucas, Toby Peyton-Smith and Ian Ferguson, and I have worked closely with the DfE throughout the year. In March I welcomed Nicholas Timothy as a NED.

My team provided a deep level of insight and challenge to the Department's most critical areas of work. This includes:

- advising on the next phase of the apprenticeship programme, working with stakeholders to address long-term challenges and enhance simplification, quality, brand value and efficiency;
- supporting the increased maturity of the DfE's Risk Management Framework including the creation of a new departmental Risk Appetite Statement;
- scrutiny of the DfE's commercial transformation, providing challenge on the work to support schools achieve better value for money on non-staff spend, and encouraging focus on areas with potential to achieve the most significant savings;
- participating in a series of Futures Thinking sessions to inform their views about the strategic drivers that will shape the future readiness of the Education System; and
- providing support to the Department as it responds to the Covid-19 pandemic. We have worked across individual projects (e.g. Free School Meals scheme) and provided scrutiny of the Department's plans to manage the economic instability of the Higher Education Sector.

My non-executive colleagues continue to work across the Department's Arms Length Body (ALB) family. ALBs are public bodies that operate with various degree of independence to deliver services, funding or regulation advice. Irene chairs the Education and Skills Funding Agency (ESFA) Board and Toby serves on the Board of Institute for Apprenticeships and Technical Education (IFATE). Ian and I convened the network of Chairs, CEOs and Audit Chairs from across the Department's ALBs throughout this year providing a line of sight to and from the Department and sharing best practice.

My team supported several panels to make significant public appointments to the boards of our ALBs including Ofqual, School Teachers' Review Body, Student Loans Company, OFSTED and Social Work England. Additionally, I chaired the Challenge Panel through the Tailored Review of the Student Loan Company during the year. Tailored Reviews question and give assurance on the continuing need for and individual organisation and look at its form and function.

Going forward I have worked with the Secretary of State to agree an enhanced role of non-executive colleagues to ensure that we can more readily and effectively input on critical issues outside of formal committee time.

A key area of focus will be supporting reform of the Further Education sector. This will be central to supporting economic growth both immediately post Covid-19 and over the next 5 years. It will be vital that

DfE engages with employers to clearly understand existing skills gaps. I have worked with officials to develop a strategy for engaging Business with the DfE agenda. This has entailed lending support to form a Business Engagement Forum, engaging with a CEO's of major British employers to exchange views and insights.



**Henry Dimbleby**  
Lead Non-Executive

Department for  
Environment, Food  
and Rural Affairs

### **The Appointment of a Defra Non-Executive Board Member to Chair the Rural Affairs Board**

The Defra Rural Affairs Board was established in September 2019 in response to the House of Lords Select Committee report 'Time for a Rural Strategy'. The Secretary of State in his response to the Committee's report acknowledged the need for a more focused approach to rural policy and rural proofing, and the Board was set up to fulfil these objectives.

A Defra NED, Lizzie Noel, was appointed as Chair. The Board's main priority has been coordinating rural-proofing efforts across a number of government departments with an interest in rural policy and rural economic development.

In the period to March 2020, the Board met monthly to consider a range of current rural issues including fly tipping, the Glover review, rural crime, rural housing and rural transport. It has also supported preparation for the Rural Proofing Annual report published by Defra, with Lizzie as Chair providing helpful independent challenge.

Having a non-executive as the Chair of the Rural Affairs Board has added a dimension of independence to its remit while permitting it to operate effectively as a cross-Defra unit, drawing on senior expertise from other government departments as needed.



**Julie Currie**  
Interim Lead  
Non-Executive

Department for  
International Trade

### **Supporting operational delivery and strategic planning**

Throughout the year the Departmental Board has supported the Secretary of State in the strategic and operational leadership of the Department, initially under the Rt Hon Liam Fox to July 2019 and then under the Rt Hon Liz Truss. The preparation and subsequent exit from the EU and establishing the future trading relationship with the rest of the world have been priorities for the Departmental Board, alongside progression of the trade and investment agenda, including the development of regional and sector trade plans. In terms of operations, the Board regularly reviewed performance, finance and risk, as well as agile DIT workforce planning, in response to unfolding events and associated reprioritisation of activity.

At the request of the Secretary of State, the team have also undertaken topic reviews, Simon Walker delivering his review of the Trade Envoy Programme prior to his departure in January 2020 to become Chair designate of the Trade Remedy Authority and, more recently, Sir Stephen O'Brien, his review of the Department's approach to Official Development Assistance.

The non-executive team have continued to contribute to the cross-Whitehall network of non-executives, playing an important role in spotting gaps and sharing knowledge and ways of working. For example, the team met frequently through the year with peers from the international-facing departments, to encourage greater strategic alignment of Government efforts abroad, and stepped up engagement from March 2020 in support of officials responding to the Covid-19 crisis.



**Kate Lampard**  
Lead Non-Executive

Department of Health  
& Social Care

### **Providing oversight and assurance in a challenging period**

The past year has placed extraordinary demands on the Department. In addition to planning for EU Exit, and the work of delivering on the clear set of priorities and commitments arising from the General Election in December 2019, there was also of course the need to respond quickly and effectively to the Covid-19 outbreak. The NEDs have supported the Department to meet these challenges through their involvement in different workstreams, membership of various oversight committees, and deep dive sessions on particular aspects of the Department's work. In these exceptional times, the NEDs have also had a regular weekly meeting with the Permanent Secretary. In addition, they have offered a sounding board and ad hoc advice to other members of the Department's leadership team and staff.

More general oversight has continued to be provided via the formal Board meetings and board sub-committees. The Audit and Risk Committee (ARC), chaired by Gerry Murphy, met on four occasions during the year. It regularly discussed the Department's finances and the accounts, internal audit reviews and fraud risk, challenging the Department to improve performance where this was necessary.

During the year, Professor Sir Mike Richards, one of our non-executive team, published his report on the independent review of adult screening programmes in England.

We have continued to strengthen our relationships with the Department's

ALBs through regular attendance at their Board meetings.



**Ian King**  
Lead Non-Executive

Department for  
Transport

### **Providing support and expertise to meet the complex challenges ahead**

During 2019-20 the Department continued to focus on the efficient and effective delivery of its large-scale transport portfolio and on the provision of safe and accessible services to the public and businesses.

This was set against the backdrop of preparations for the new relationship with the EU and the UK's other trading partners; including implementing contingency plans to manage potential disruption to our transport systems both within the UK and its borders; and the Department's Covid-19 response.

In the last year, DfT has seen significant change in the ministerial team. Grant Shapps MP was appointed as the new Secretary of State in July 2019 and the current Ministers are Andrew Stephenson, Chris Heaton-Harris, Kelly Tolhurst, Rachel Maclean and Baroness Vere of Norbiton. The NEDs have not changed since last year helping to provide continuity and support to the Department. We continue in our role of providing additional challenge and scrutiny as well as being members of the assurance and governance committees of the Board.

In addition to the above, we have acted as independent members of interview panels as well as supporting officials on a wide range of activities including Rail Franchising, the Williams Rail Review, HS2 main work civils procurement, HS2 capability and the Future of Mobility Advisory Group.

A key priority of the Department is to strengthen and improve its project delivery capability given the Government's ambitions on infrastructure, levelling up and decarbonisation and the Department's pivotal role in these areas. The Department's Project Delivery Improvement Programme and the Cross-Whitehall Infrastructure Steering Group are the key initiatives being implemented to help address this priority.

The Department has a key role in the Government's response to Covid-19 and has mature processes in place to deal with the crisis. Resource has been reallocated and other projects reprioritized to support the phases covering, operational response, interventions required to ensure critical transport and freight capacity; and restart.

The overall impact of Covid-19 on the Department's broad portfolio is currently being assessed but will be significant.



**Sara Weller**  
Lead Non-Executive

Department for Work  
and Pensions

### **Supporting the operational delivery with expert advice and solutions**

On a visit to a Job Centre, in 2017, the Department's newly appointed Lead Non Executive was told by staff of an issue that prevented potential Universal Credit (UC) claimants with poor "Identity and Verification" (ID&V) credentials from opening a Basic Bank Account (BBA). Correct ID&V is needed to open a BBA, which is itself required for claimants to receive UC payments. The written "letter of entitlement" which could previously be used as ID was being withdrawn by the Department as UC was rolled out as a largely digital service, and this issue had become "stuck" between government and the industry.

Through active and exhaustive collaboration between DWP executives, ministers (in DWP and HMT) and senior executives in Lloyds Bank (the leading provider of Basic Bank Accounts), supported by the Department's Lead NED, a solution was identified, and introduced in Spring 2019, that allowed the bank to access electronically, with claimants' permission, ID&V validation completed by DWP, and to use this as a secure form of identification for opening a BBA.

Working with the UK Finance forum, this solution was extended to and adopted (with adaptations as necessary) by other leading Banks providing BBAs, through late 2019, such that claimants who previously had been "caught" between the Department and banks, are now able to access the account they need to receive their UC benefit payments.



**Miranda Curtis**  
Lead Non-Executive

Foreign and  
Commonwealth  
Office

### **Offering capability, expertise and challenge across the Department**

Warren Tucker, in his role as Chair of ARAC, has led on cyber, commercial, IT and technology, financial assurance and planning, risk management issues and the Global Asset Management Plan (GLAMP), as well as a project to look at FCO staff relocation beyond the South East. He also supports the ARACs of ALBs. Warren has provided advice and programme reassurance on the Atlas and Echo2 programmes; as well as IT and commercial functions guidance, coaching and support, including encouraging the FCO to invest resources. He reviewed the Covid-19 finance and assurance risks, and supported the CSR and year-end savings exercise. Warren supported work on the Diplomacy 2020, Corporate Capability programmes, the FCO Beyond the South East project and oversees the Audit and Risk Assurance Committees of the FCO's ALBs.

Both he and Gaenor Bagley attend the regular Management Boards, work closely with the Finance and HR Directors respectively, and have made major contributions in particular to reviewing and challenging the Atlas IT and HR project.

Gaenor participates in the Senior Appointments Board, serves on key committees reviewing senior pay and talent, has been involved in the recruitment of FCO leaders and, at the request of the Foreign Secretary,

has delivered papers for the Supervisory Board on Flexible Working and Staff Turnover. Gaenor attends the Talent Advisory Group, the cross-government group of NEDs with HR experience, and is the independent NED on the Fast Stream Sub-Board.

As Lead NED I continue to act as a sounding board for the Parliamentary Under Secretary (PUS), advise on strategy and governance issues, and participate in the Management Board strategy days and the Senior Leadership Forum. I have also continued to work on cross-government initiatives, offering independent challenge to the Cabinet Office's review of the delivery of Phase One of EU Exit. I am currently co-leading a review of the British Council's future financing and governance, at the request of the Foreign Secretary.



**Mervyn Walker**  
Lead Non-Executive

HM Revenue and  
Customs

### **Providing leadership and guidance to the operational delivery and strategic objectives of the Department**

Turning strategy into delivery and achieving a clear vision for our strategic elements has been a key part of the Department's thinking this year. The Board and I have walked hand-in-hand through the development of the Department's strategy work. HMRC has updated its Vision and Strategic Objectives to reflect the evidence base it has constructed to inform the way it intends to continue to modernise and build resilience in to the tax administration system. This includes understanding the steps other high performing tax authorities have taken to achieve impressive results that secure revenue. The new Strategic Objectives (due to be launched later in the year) aim to fulfil the new HMRC Vision to be a trusted, modern, tax and customs department, to address the technological and societal challenges the UK tax system faces in the coming years, and reflect the principles of a healthy tax administration system – with a commitment for the first time to building trust and improving perceptions of fairness.

I have chaired a series of Executive Committee workshops to ensure that an enterprise level view of the Departments' work to turn strategy into delivery is built and led by the team. The aim here was to work on rationalisation of strategy material to ensure only the essential is in place. To complement these, the Board have regularly been involved in discussions at our meetings, through the development of the strategic objectives using the healthy tax administration thinking. Throughout, the focus has been on turning strategy into delivery as we establish areas we need to explore in more detail. The workshops included, among others, sessions on SR20 content and alignment, accountability, fairness, withholding, strategic communications and deep-dives into the spending review propositions. Along with regular ExCom meetings to complement the workshops, these helped ensure the decisions made are consistent with and contribute to the developing strategy.

The final few weeks of the year saw the onset of Covid-19 implications, which led to the work immediately pivoting to focus on this.



**Lord Jonathan Hill**  
Lead Non-Executive

HM Treasury

## Providing challenge and support at a time of change

This has been a year of change and challenge, with HM Treasury working for three Chancellors and having to respond to the outbreak of Covid-19. It culminated in the delivery of the largest package of financial support for business and individuals in our peacetime history, completed in record time, with the Department working virtually from home.

During the year, the team of NEDs has remained the same: in May 2019, we were pleased to welcome back Richard Meddings who returned to the Board and his role as Chair of the Audit and Risk Committee, after a period when he had stood down on becoming the Temporary Executive Chair of the TSB.

In addition to providing independent advice to the Departmental Board, NEDs are responsible for chairing the Treasury Board Sub-Committee (TB(SC)) and the Audit and Risk Committee. Our work has included scrutinising the Department's state of readiness for ministerial change and preparing for a General Election. As well as providing external perspectives, we have kept the Department's Quarterly Performance and Risk Register under review – although no amount of Departmental planning could have foreseen the scale of the response that HM Treasury would need to make in the face of the Covid-19 outbreak.

Over the last year, the TB(SC) has tried to be as flexible as possible in providing external challenge and support to the Department in a very fast-moving political and economic environment. That role is going to be even more important in light of the challenges that lie ahead.



**Sue Langley OBE**  
Lead Non-Executive

Home Office

### **Providing invaluable expertise towards planning and governance in the Home Office.**

Home Office Non-Executive Board Members (NEBMs) have used their skills and experience to support and challenge the work of the Departmental Board and Executive Committee. This has included valuable insight on operational change, people and culture, finance and risk management, portfolio management, and crime prevention.

Our NEBMs chair or sit on a variety of boards including the Audit and Risk Assurance Committee (John Studzinski, Nicholas Shott), the Data Board (Adrian Joseph), People Strategic Workforce planning committee (Suzy Levy), the Portfolio & Investment Committee (Nicholas Shott), and the Nominations and Governance Board (Sue Langley).

Our NEBMs have had a supporting role across a number of reviews carried within the Home Office and the wider Civil Service this year. Some highlights include:

- NEBMs took part in Red Team Reviews of key EU Exit workstreams including the EU Settlement Scheme ahead of the potential No Deal scenario. NEBMs sat on the red team panels, providing independent challenge to officials working on the programmes. Updates we compiled and presented to ExCO, which contributed to the continued success of the scheme.
- Sue led an independent review on data protection; while recognising many positive measures were already in place the report recommended the prioritisation of specific activities to support a more unified approach to data protection.
- Suzy was on the Leadership & Learning Board (up until May 2019) and is now on the Civil Service Leadership Academy Board, and the Talent Action Group which uses NEBM input to support cross cutting talent activity. Suzy is also actively coaching Senior Leadership Scheme BAME participants.
- Nicholas has played a pivotal role as a PIC member in scrutinising and challenging constructively all business proposals, including delivering a helpful review of the projects and portfolio, which has given us a solid foundation upon which we can drive change within this space.
- John was instrumental in supporting the Review of the Modern Slavery Act, which supported the Government committing to an ambitious package of work to strengthen our transparency in supply chains agenda.
- Adrian's input at the Data Board has provided a helpful perspective on technology risk, automation, artificial intelligence, engagement with major technology players.



### **Contributing to the SR and Covid-19 response.**

MHCLG's NEDs have made an important contribution this year to both the governance of the Department and in providing advice, support and challenge to individual programmes.

<p><b>Michael Jary</b> Lead Non-Executive</p> <p>Ministry of Housing, Communities and Local Government</p>	<p>The continuity of the NED team has been particularly valuable given the shifting contexts in which the Department has been operating, not only with the arrival of a new Prime Minister in July and the UK's departure from the EU on 31 December, but also a General Election, a ministerial reshuffle and the transition to a new Permanent Secretary all taking place over the course of the past 12 months.</p> <p>Pam Chesters has led on Brexit planning and the Grenfell Tower Inquiry. Dame Mary Ney has attended as a member of the Senior Talent and Pay Committee and the Building Safety Portfolio Board.</p> <p>Earlier in the year, the Board helped to prepare the Department for an anticipated Spending Review, which included helping to shape the cross-cutting outcomes for the Department to deliver to support stronger communities and sustainable local government over the coming years.</p> <p>Most recently MHCLG has been at the forefront of supporting the national and local response to Covid-19, working with local government, Local Resilience Forums (LRFs), business leaders and the housing sector.</p> <p>The NEDs have provided support and challenge to this work. Dame Mary Ney has focused on the local emergency response. I have engaged in the Department's input to economic and business recovery. Pam Chesters continues to Chair the Audit and Risk Assurance Committee, which has pivoted to assess the changed risk landscape for the Department and local authorities following the virus outbreak.</p> <p>We have also recruited Susan Barratt as our second independent member of the Audit and Risk Assurance Committee (ARAC). This forms part of the wider efforts being made by ARAC to upgrade the Department's risk governance and strategic approach to risk.</p>
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 <p><b>Sir Gerry Grimstone</b> Lead Non-Executive</p> <p>Ministry of Defence</p>	<p><b>Operating effectively across a wide range of topics</b></p> <p>The political environment in which we operate had a material impact on the effectiveness of the Defence Board in 2019-20. Only 3 meetings were held (and even these were occasionally truncated); and these meetings were chaired by 3 different Defence Secretaries. This understandably meant that the rhythm to which the Defence Board had operated in recent years was lost and the Defence Board no longer sat at the heart of departmental decision-taking for those matters which traditionally had fallen within its responsibility.</p> <p>Given the above, it is pleasing to record that the Board's Committees (Audit &amp; Risk, People, Investment Approvals) continued to function effectively with full NED involvement. Likewise, the NEDs have had very significant interaction with the Department's Executive Committee and have been involved in supporting senior colleagues (both civilian and military) across a wide range of topics.</p> <p>Looking forward, the expectation is that the Defence Board will now return to a regular rhythm and re-establish its role at the centre of departmental</p>
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governance and risk-monitoring. Comments received during this year's effectiveness review will inform how this is done. A refreshing of Board NED membership is planned and the Board will restart its programme of meeting at locations outside London.



**Mark Rawlinson**  
Lead Non-Executive

Ministry of Justice

### **Providing much needed support through challenging times**

The non-executives at the MoJ have continued to provide challenge and support during a year in which cliff edges, ministerial change and Covid-19 have made BAU the exception. Helping keep the Departmental Plan on course through some very choppy waters has been paramount and acting as a sounding board when the unexpected materialises has arguably been as important as individual projects this year. The Lead NED, Mark Rawlinson has regular 1:1's with the Permanent Secretary and, during the "lockdown", attendance has been widened to include the whole non-executive team.

That said, BAU has continued. Following investigations into the MoJ IT Outages in early 2019, Shirley Cooper completed an independent report (including recommendations for the Permanent Secretary) and has continued to review progress, both as the Caretaker Chair of the ARC and on the Information Security and Risk Board which she joined more recently. Shirley also reviewed the Department's steps to ensure that the prompt payment requirements and expectations were being met which led in time to more automation of services. In addition, Shirley is a member of the Cross Government Commercial Oversight Committee which has the remit of developing commercial standards across government.

In early 2019, Nick Campsie was asked to chair the Probation Challenge Panel, which acts as a sounding board for the senior officials responsible for implementing the Department's probation strategy. In this capacity Nick meets regularly with key stakeholders both within the Department and elsewhere, and offers independent challenge on both strategic and operational questions. Mark Rawlinson has continued to chair the Parole Board Challenge Panel Tailored Review.



**Dawn Johnson**  
Lead Non-Executive

Northern Ireland  
Office

### **Adapting to change**

The Northern Ireland Office has been under particular pressure during the past year as it sought to facilitate the restoration of the Northern Ireland Executive and influence policy and legislation work across government and contribute to the development of the [Northern Ireland Protocol](#).

The [New Decade, New Approach Deal](#) announced on the 9 January 2020, and the Northern Ireland Protocol will significantly change the focus of the Department's work over the coming months and years, including an important role to support the Northern Ireland Executive transform its public services, grow the economy and restore public confidence. A focus on the economy will be even more prominent in light of the impacts of Covid-19.

In addition to the changing nature of the Department's work there have also been a number of changes of members of the Board, including a new Permanent Secretary. The non-executives have used their experience and understanding of the environment in which the Department operates to advise and influence decision making in a very fluid situation and we have built strong relationships with the new senior executive team.

During the year I led a review of the Department's corporate services and considered how changes could be introduced to support a strategic approach to building skills, capabilities and resilience. The non-executives also engaged in reviewing and resetting the governance structures to ensure that the Board has the right level of oversight and information to meet the future demands. The Board has also given consideration to how the Department can operate in a more virtual environment going forward, using technology to meet remotely as successfully proven over recent months.

I am due to stand down as the Department's Lead NED this year but I am confident that the Northern Ireland Office will continue its long tradition of adapting to successfully meet all challenges.



**Alison White**  
Lead Non-Executive

Wales Office

### **EU Exit and effectiveness of the Departmental Board**

The Office welcomed a new Secretary of State this year, which created the opportunity to refresh departmental priorities as the Office seeks to influence to ensure that the interests of Wales are being properly taken into account in policy and legislation work across government, especially in respect of a future EU trade deal.

There are good, informed discussions at meetings, where the Board is able to really drill down into performance management and the allocation of scarce resources, with non-executives providing an effective challenge function. The presence of ministers at selected meetings also means the Board is able to step back and think strategically about the priorities of the Department and its direction of travel. There are regular discussions about stakeholders and their perceptions of the Department, which is particularly important as a key role for the Department is to provide a bridge between

	<p>Wales and Westminster.</p> <p>Non-Executives have been able to provide a wider perspective, governance expertise and advice about improvements in communications and risk management, in order to add value to the work of the Office during the past year.</p>
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 <p><b>Shonaig Macpherson</b> CBE Lead Non-Executive Scotland Office</p>	<p><b>UK Government Hub, Edinburgh</b></p> <p>Office of the Secretary of State for Scotland and Office of the Advocate General for Scotland.</p> <p>Two of the strategic objectives of the Office of the Secretary of State for Scotland and the Office of the Advocate General for Scotland are to strengthen the Union by increasing awareness of the role of the UK Government in Scotland and the implementation of the Cabinet Office's agenda of transformation in working practices including the adoption of enhanced digital technologies. The planned move of the Offices to the new UK Government Hub, Queen Elizabeth House, in Edinburgh is a key milestone in the Offices' contribution to achievement of those objectives.</p> <p>The non-executive Members of the Offices' Joint Management Board and Audit and Risk Assurance Committee have provided support and challenge to the Offices in relation to the initiation and delivery of the move to the UK Government Hub, Queen Elizabeth House, including contribution to the planning of the project.</p> <p>The Project Board membership includes the Chair of the OSSS and OAG Audit and Risk Assurance Committee, who has substantial experience from other public and private sector bodies, of workforce transformation projects. This has ensured that risk identification and management has been embedded in all project plans from the outset.</p> <p>The OSSS and OAG Audit and Risk Assurance Committee has received regular reports on the delivery of the project. As a further forum for challenge this Committee has provided support in addressing issues that have arisen due to matters beyond the control of the Project Board.</p> <p>The Joint Management Board's sub-committee for the Office of the Advocate General has provided advice, support and challenge in relation to IT systems which are appropriate for provision of legal services and have facilitated meetings with staff to better understand best practice in the private sector.</p>
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**Annex 2: List of Central Government Non-Executive Board Members  
(as at 31 March 2020)**

Department	Lead non-executive						
BEIS	Archie Norman	Leena Nair	Nigel Boardman	Kathryn Parsons	Dame Carolyn McCall	Lord (Stephen) Carter	Stuart Quickenden
CO	vacant	Anand Aithal	Michael Ashley	Karen Blackett			
DCMS	Charles Alexander	Matthew Campbell-Hill	Hemant Patel	Neil Mendoza	Sherry Coutu		
DfE	Richard Pennycook	Ian Ferguson	Baroness Ruby McGregor-Smith	Irene Lucas	Toby Peyton-Jones	Nick Timothy	
Defra	Henry Dimbleby	Elizabeth Buchanan	Lizzie Noel	Colin Day	Ben Goldsmith		
DfID	Marc Bolland	Sally Jones-Evans	Alan Johnson				
DIT	vacant	Julie Currie	Sir Stephen O'Brien				
DfT	Ian King	Tracey Westall	Richard Aitken-Davies	Tony Poulter	Richard Keys		
DWP	Sara Weller	David Holt	Hayley Tatum	Ashley Machin			
DHSC	Kate Lampard	Gerry Murphy	Michael Mire	Sue Bailey	Sir Mike Richards		
FCO	Miranda Curtis	Warren Tucker	Gaenor Bagley				
HMRC	Mervyn Walker	Michael Hearty	Patricia Gallan	Simon Ricketts	Dr.Alice Maynard	Juliette Scott	Paul Morton
HMT	Lord (Jonathan) Hill	Richard Meddings	Gay Huey-Evans	Tim Score			
HO	Sue Langley	Adrian Joseph	Suzy Levy	John Studzinski	James Cooper	Mark Florman	
MHCLG	Michael Jary	Pamela Chesters	Mary Ney				
MoD	vacant	Simon Henry	Danuta Gray				
MoJ	Mark Rawlinson	Shirley Cooper	Nick Campsie				
Northern Ireland Office	Dawn Johnson	David Brooker					
Scotland Office	Shonaig Macpherson	Joyce Cullen					
Wales Office	Alison White	Peter Umbleja					