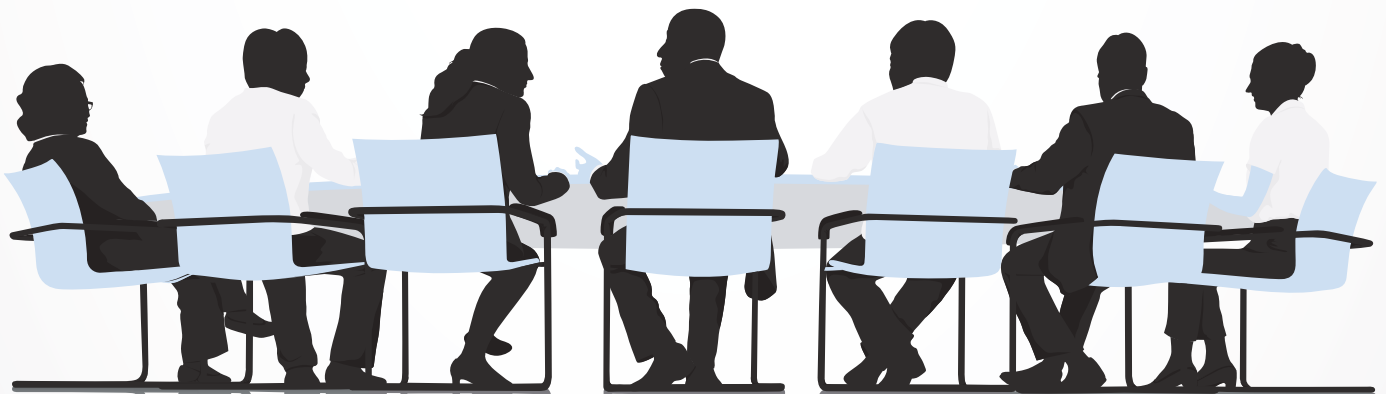


**IMPROVEMENT SERVICE BOARD**

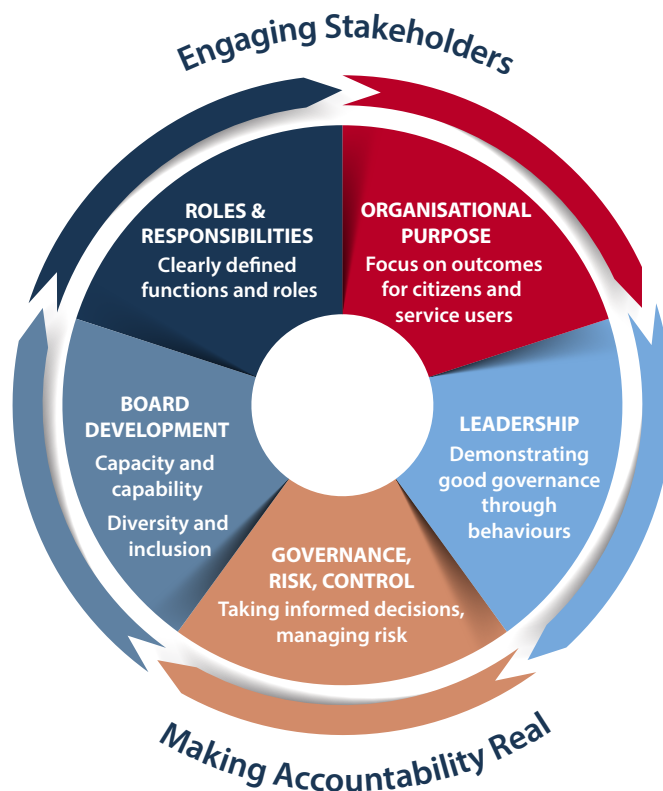
# Guidance on Roles and Responsibilities of the IS Chair And Chief Executive



# Background

This guidance draws out the distinctiveness and complementary nature of the roles of the IS Board Chair and Chief Executive. It is based on the current role profile for the IS Chair (Annex 1) and Chief Executive (Annex 2), good practice and improvement actions from the IS Governance Review undertaken in November 2020.

As part of the Governance Review, the UK Corporate Governance Code and the Good Governance Standard for Public Services were used to create a visual of the key areas of Board Governance that the best boards aspire to, and this is the starting point for setting out the roles and responsibilities of the Board Chair and the Chief Executive.




Much has been written about the need to differentiate the role of the Board Chair from the Chief Executive, and the complexity around, and scrutiny of, business and public sector leaders has intensified over the past decade. There are many more private than public sector examples of the need to differentiate the roles, but much of the thinking around this is as relevant to operating in public sector organisations. A useful definition of the two roles could be a combination of the following:

*A board chair leads the board's effort to excel at advising on strategy, monitoring performance, overseeing finance and controls, and evaluating management. A CEO establishes within the company a shared set of values, practices, and goals that enables the company to execute its strategic plan and build a meaningful future. To grow, a company needs both of these roles performed thoroughly and well".*

**(Why the CEO Shouldn't Also Be the Board Chair, Joseph Mandato and William Devine, March 04, 2020)**

*"The chair is responsible for and represents the board, while the CEO is responsible for and is the public face of the company."*

**(Harvard Business Review, How to be a Good Board Chair, April 2018)**



# Board Chair and CEO roles: Complementary yet different

---

This guidance focuses on describing the interdependent relationship between the Board Chair and the Chief Executive. The key areas of complementarity and differentiation between the two roles fall into the following five areas:

1. **LEADERSHIP** - the Chair is responsible for the leadership and direction of the Board, and the Chief Executive is responsible for the leadership and direction of the organisation.
2. **PERFORMANCE ASSURANCE** – the Chair has responsibility for setting the work of committees and appointing Committee Chairs to scrutinise, challenge and support the performance of the organisation. The Chief Executive is accountable for the performance of the organisation through key operational activities such as planning, monitoring, resource allocation and compliance.
3. **PERFORMANCE APPRAISAL** - The Chair coordinates the Chief Executive's annual performance appraisal. The Chief Executive is responsible for the effective delivery of the business plans and targets set by the Board, against which their performance is measured. Performance appraisal is a critical area of scrutiny, challenge and support which is best built through the development of an effective relationship between the Chair and the Chief Executive based on mutual respect, trust and communication.
4. **BOARD DEVELOPMENT AND ORGANISATIONAL DEVELOPMENT** - The Chair focusses their efforts on ensuring the culture and behaviours around the Board table are conducive to optimising the support they bring to the organisation. They uphold the Board Code of Conduct, ensure learning and development needs for Board members are met, and ensure succession planning and Board self-assessment remain live topics. The Chief Executive essentially mirrors this role for the Company, ensuring that people at organisation, team and individual level are effectively led, managed and developed.
5. **STAKEHOLDER ENGAGEMENT** – The Chair is responsible for ensuring Board level discussion on stakeholder engagement is founded on strategic issues that are most important to long-term company success. The Chief Executive is responsible for ensuring that the company develops and maintains positive relationships and partnerships with the wide range of stakeholders involved with its activities.

As a visual summary of the above, it can be helpful to see the level of roles and responsibilities set out side by side.

Chair Role and Responsibilities	Chief Executive Role and Responsibilities
<b>1. LEADERSHIP</b>	
<b>LEADER OF THE BOARD</b> The Chair leads the Board and keeps full Board work focused on the organisation's mission, vision, and strategic direction. They also ensure that the Board remains focused on key issues by designating work that could be more effectively addressed in committees.	<b>LEADER OF THE COMPANY</b> The Chief Executive provides confident, visible, and consistent strategic leadership and direction for the company.
<b>AGENDA SETTER</b> The Board Chair works collaboratively with the Chief Executive to establish meeting agendas, providing structure, control and timing for the meeting.	<b>AGENDA SHAPER</b> The Chief Executive helps to shape the agenda by bringing to the Chair the key areas of the business that require Board level discussion for information, comment, decision, or approval.
<b>MEETING FACILITATOR</b> The Board Chair actively engages with the Board members. They encourage Board members to share information, controlling dominating behaviour and encouraging participation from all. Using the agenda as a guide, the Board Chair moves the Board towards decision making and closes the meeting on time.	<b>MEETING CONTRIBUTOR</b> The Chief Executive plays an active role in contributing to, and participating in, Board meetings. As the key Executive member of the Board their role is to raise and comment on the key performance and business issues of relevance to strategic Board level discussion and decision making.
<b>2. PERFORMANCE ASSURANCE</b>	
<b>COMMITTEE DIRECTION</b> The Board Chair recommends Committee Chairs for Board approval and guides the Committee Chairs to align committee work with the organisation's vision and goals, ensuring the Board considers substantive reports from any committees established to assure the Board of company performance. The Board Chair works with the Chief Executive to select committee members.	<b>OPERATIONS ACCOUNTABILITY</b> The Chief Executive is accountable for the overall performance and operational efficiency of the company through the effective management of its resources. The Chief Executive is responsible for planning, managing and monitoring the company's financial position, operating a business model that enables services to be delivered within the funding parameters agreed with the Board of Directors. The Chief Executive works with the Board Chair to select committee members.

Chair Role and Responsibilities	Chief Executive Role and Responsibilities
<b>3. COMPANY PERFORMANCE MANAGEMENT AND PERFORMANCE APPRAISAL</b>	
<p><b>CHIEF EXECUTIVE RELATIONSHIP AND PERFORMANCE APPRAISAL</b></p> <p>The Board Chair acts as a sounding board for the Chief Executive. They share a common understanding of the organisation's goals and strategies and work together to achieve these goals, based on a relationship of mutual trust and respect. The responsibilities of each role are clearly defined. The Board Chair is responsible for coordinating the Chief Executive's annual performance appraisal.</p>	<p><b>ORGANISATIONAL DEVELOPMENT</b></p> <p>The Chief Executive ensures that the company continually strives for excellence in how it manages its people, policies, procedures and systems. This includes:</p> <ul style="list-style-type: none"> <li>▶ ensuring the Company performance appraisal and development approach is implemented consistently and effectively.</li> <li>▶ Leading a culture of continuous improvement in all business activities, encouraging levels of self-awareness and self-reflection on performance against business plans.</li> <li>▶ promoting an open and responsive internal culture as articulated in the Employee Code of Conduct.</li> <li>▶ Ensuring staff feel empowered and have the opportunity to maintain and develop their skills, knowledge and expertise</li> <li>▶ Ensures compliance with all relevant legislation, policies and procedures.</li> </ul>
<p><b>BOARD LEARNING AND DEVELOPMENT</b></p> <p>The Board Chair assists the Chief Executive in onboarding new members. The Board Chair leads Board development by helping Board members assess their knowledge and strengths and look for opportunities to develop their individual or collective skill sets.</p>	
<p><b>BOARD CONDUCT</b></p> <p>The Board Chair sets the tone for Board meetings, modelling, articulating, and upholding the Board Code of Conduct. The Board Chair addresses issues regarding confidentiality, conflict of interest, and other pertinent Board policies.</p>	
<p><b>SUCCESSION PLANNING</b></p> <p>The Board Chair leads the Board's approach to succession planning. They ensure that the Board is diverse both in terms of relevant skills, experience and knowledge appropriate to directing the organisation's business, and in terms of protected characteristics under the Equality Act.</p>	

Chair Role and Responsibilities	Chief Executive Role and Responsibilities
<p><b>BOARD SELF ASSESSMENT</b></p> <p>Annually, the Board Chair leads a process for Board self-assessment and implements recommendations for improvement, ensuring the Board continues to operate strategically and effectively. Part of this process involves the annual performance review for the Chairperson and Board members.</p>	
<p><b>4. STAKEHOLDER ENGAGEMENT</b></p>	
<p><b>STAKEHOLDER ENGAGEMENT PLANNING</b></p> <p>Within the broader context of strategic planning, the Chair is responsible for ensuring Board level discussion on stakeholder engagement is founded on strategic issues that are most important to long-term company success.</p>	<p><b>STAKEHOLDER ENGAGEMENT DELIVERY</b></p> <p>The Chief Executive is responsible for ensuring that the company develops and maintains positive relationships and partnerships with the wide range of stakeholders involved with its activities.</p>



# Appendix 1

---

## Responsibilities of the Chair<sup>1</sup>

- ▶ Leads the Board, ensures that the Board has the ability to carry out functions effectively and chairs Board meetings.
- ▶ Leads the Board's approach to strategic planning.
- ▶ Leads the Board's approach to the establishment of committees and ensures the Board considers substantive reports from any committees established.
- ▶ Ensures that the work of the Board and any committees is subject to regular self-assessment and that the Board is operating strategically and effectively.
- ▶ Leads the Board's approach to succession planning to ensure the Board is diverse and effective.
- ▶ Ensures that the Board, in accordance with recognised good practice in corporate governance, is diverse both in terms of relevant skills, experience and knowledge appropriate to directing the organisation's business, and in terms of protected characteristics under the Equality Act.
- ▶ Ensures the Board members are fully briefed on terms of appointment, duties, rights and responsibilities.
- ▶ Together with the other Board members, receives appropriate induction training, including on financial management and reporting requirements and, as appropriate, on any differences that may exist between company and public sector practice.
- ▶ Ensures there is a Code of Conduct for Board members in place.
- ▶ In consultation with the Board as a whole, as appropriate, is responsible for undertaking an annual appraisal of the performance of the Chief Executive.

---

1 IS Governance Documents July 2020





# Appendix 2

---

## Job Description for Chief Executive<sup>2</sup>

### Purpose and Scope

The Chief Executive provides **strategic leadership and direction for the company** and ensures it develops and implements strategies and business plans for delivering products and services focussed on Local Government priorities which meet the needs of Company members. The Chief Executive has overarching responsibility for ensuring that all business activities are in line with company law, applicable legislation and other public sector responsibilities.

Reporting to the Board of Directors, the Chief Executive is **accountable for the overall performance and operational efficiency of the company through** the effective management of its resources. The Chief Executive is **responsible for planning, managing and monitoring the company's financial position, operating a business model** that enables services to be delivered within the funding parameters agreed with the Board of Directors.

The Chief Executive acts as **a champion of Local Government improvement and transformation** and ensures support offerings are well understood and accessible to all 32 Councils, S/he is focussed on Local Government's key priorities at a national level and supports Councils improve at a local and increasingly regional level, in support of the delivery of Scotland's National Performance Framework. S/he supports Councils on their transformation journey and challenges current practice and methods of organisation and delivery, and advocates innovative and new ways of improving and developing the efficiency and effectiveness of Scottish Councils.

The Chief Executive **works in partnership with Local Government** and drives, develops and supports focussed partnerships with COSLA, SOLACE, Scottish Government, audit and inspection bodies, other professional associations and improvement agencies to ensure the best possible improvement solutions and outcomes are delivered for Local Government. S/he **develops and manages key strategic relationships with national and local leaders** to support effective and sustainable partnerships. S/he brokers additional resources into the Local Government sector in support of partnership working aligned to Local Government priorities and achieves financial targets as set by the Board.

The Chief Executive develops and embeds a formal partnership agreement with COSLA based on a shared vision that delivers a core set of objectives for Local Government framed on the National Performance Framework; S/he works in

---

<sup>2</sup> CE Job Description, January 2020

partnership with COSLA to maximise collaborative gain, to connect evidence, policy, performance and decision making and to ensure resources are delivering best value for Councils.

The Chief Executive **promotes a progressive and innovative organisational culture** which values and empowers people and recognises people as being at the heart of effective delivery. S/he ensures that policies, processes and systems are in place to support staff to deliver and fosters a collective drive for continuous improvement in all aspects of personal and organisational performance. S/he champions professional development and ensures that the knowledge and skills of staff are maintained and developed to meet the business needs of the company.

## 1. Strategic Leadership

As the most senior officer of the IS, the Chief Executive provides confident, visible and consistent strategic leadership and direction for the company. This will include:

- ▶ Leading the development of robust strategies, business plans, products and services that deliver against Local Government priorities, and identifying opportunities for business growth and development aligned to Local Government priorities.
- ▶ Ensuring that all planned business activities can be delivered within budget and funding levels agreed by the Board. Exploring new funding opportunities including commercial opportunities, brokering additional resources and funding into the Local Government sector in support of Local Government priorities.
- ▶ Providing strong and inspirational leadership to staff at all levels across the company, promoting a cohesive, integrated and performance focussed approach.
- ▶ Maintaining a solid awareness of company law, policy and legislative developments affecting the public sector, and ensuring that the company's strategies and plans reflect these developments.
- ▶ Maintaining a robust understanding of the key political, economic, social, digital, environmental and legislative factors which drive the priorities of Local Government, and ensuring that the company's strategies and plans reflect these priorities.
- ▶ Maintaining development programmes to ensure the company remains at the forefront of public sector improvement, applying the most cost-effective methods and approaches, and providing leading-edge products and services.
- ▶ Leading the development of support to Councils to enable successful and continuous transformation in a rapidly changing environment.
- ▶ Leading the development of a formal partnership with COSLA which focuses on a shared vision and objectives that drives additional value for Local Authorities and communities in a critical time of change.
- ▶ Leading the development of formal partnerships with other key delivery partners,

such as SEEMiS and Young Scot and seeking opportunities to enter into formal partnerships with others.

- ▶ Championing a sustainable, equitable and ethical approach as part of the company's day-to-day business activities and as an integral part of the services delivered to Local Government.

## 2. Performance Management

The Chief Executive is accountable for ensuring the overall operational effectiveness of the company to ensure the effective delivery of the business plan and targets set by the Board. This will include:

- ▶ Maintaining positive relationships with the Board and the Audit Committee, ensuring that strategies, plans, reports and accounts are produced and presented in line with agreed governance arrangements.
- ▶ Maintaining a robust performance management framework that drives continuous improvement in delivering added value and customer focused business plans, products and services.
- ▶ Ensuring that appropriate and effective monitoring and reporting systems, policies and processes are in place at an individual, team, and organisational level
- ▶ Maintaining financial probity by ensuring that funds (income and expenditure) are properly managed, financial records are kept accurately, and budget monitoring is robust throughout the company.
- ▶ •Reviewing and managing the operational structure of the company to maximise the efficiency and the effectiveness of business plan delivery.
- ▶ Ensuring that risk management policies and procedures are in place to identify and mitigate any threats to the delivery of the company's business plans and activities.
- ▶ Ensuring that information security policies and procedures are in place to mitigate against cyber security risks across the company, and specifically relating to the Digital Public Services portfolio.
- ▶ Maintaining positive relations with External and Internal Auditors and ensuring the company is properly prepared for all mandatory and elective audits of its finances and operations, including best value reviews and that any actions and/or recommendations arising from these audits are acted upon effectively.
- ▶ Ensuring business activities comply with all relevant legislation, the company member's agreement and articles of association, company financial regulations and scheme of delegation and relevant company policy.

## 3. Stakeholder Engagement

The Chief Executive is responsible for ensuring that the company develops and maintains positive relationships and partnerships with the wide range of stakeholders involved with its activities. This will include:

- ▶ Influencing, persuading and negotiating with a wide range of stakeholders to ensure that the IS is recognised as the 'go to' organisation for Local Government improvement in Scotland, and its purpose, value, impact and achievements are clearly understood.
- ▶ Developing and maintaining an account management service for all 32 Local Authorities, investing in building relationships with Chief Executive Officers and Senior Management Teams and developing a responsive service for each individual Council.
- ▶ Developing and maintaining an effective communications strategy ensuring all stakeholders have a firm understanding of the range of IS improvement support and how to access support. Effectively communicating, sharing and demonstrating good practice; the difference councils are making to their communities and the supporting role the IS has played.
- ▶ Leading the IS culture of stakeholder engagement, consultation, communication and customer service, ensuring staff build and maintain positive relationships with partners, customers, and other stakeholders to underpin the delivery of a first class service.
- ▶ Ensuring that the interests of the Local Government sector and the IS are represented on matters relating to improvement within the context of Scotland's National Performance Framework.
- ▶ Ensuring the company develops and maintains positive relationships and supports partnerships within Local Government, and the wider public sector including Health to deliver mutually beneficial cross-sector improvement.
- ▶ Exploring opportunities for building meaningful relationships and partnerships across the UK and Europe.

## 4. Organisational Development

The Chief Executive is responsible for ensuring that the IS continually strives for excellence in how it manages its people, policies, procedures and systems. This will include:

- ▶ Promoting an open and responsive internal culture where staff at all levels feel engaged, empowered, valued and supported.
- ▶ Ensuring the IS performance appraisal and development approach is implemented consistently and effectively so that all staff are aware of how they contribute to the success of the company's business plans.
- ▶ Ensuring a robust staff handbook and appropriate policies and procedures to support fairness and equality across the company and to support staff in the delivery of services.
- ▶ Ensuring the IS maintains and develops a digital infrastructure which protects against cyber security risks, supports flexible and agile working, and effective and efficient access to the company's data, knowledge and management information.

- ▶ Leading a culture of continuous improvement in all business activities, encouraging levels of self-awareness and self-reflection on performance against business plans and encouraging self-identification of where change and improvement is required.
- ▶ Ensuring staff feel empowered and have the opportunity to maintain and develop their skills, knowledge and expertise, balancing personal goals, capabilities and business needs in a way that supports succession planning within the company.
- ▶ Ensuring that the IS complies with legislation and/or Local Government policies which support the wellbeing of staff including health and safety, equality and fair treatment at work.

iHub  
Quarrywood Court  
Livingston  
EH54 6AX

Tel: 01506 282012  
Email: [info@improvementservice.org.uk](mailto:info@improvementservice.org.uk)  
[www.improvementservice.org.uk](http://www.improvementservice.org.uk)

June 2021