

Meeting	OLC Board Meeting	Agenda Item No.	9
		Paper No.	149.6
Date of meeting	23 September 2026	Time required	15 Minutes

Title	Board effectiveness review 2025/2026
Sponsor	Ric Blakeway, OLC Chair
Status	OFFICIAL
To be communicated to:	Members and those in attendance

Executive summary

This paper presents the second part of the 2025/2026 Board effectiveness review, summarising findings from a self-evaluation questionnaire completed by Board members and the Executive Team. It builds on the thematic review of Board member annual appraisals presented in April 2026 to provide a broader assessment of Board effectiveness.

The findings are broadly positive and provide assurance that the Board is operating effectively. Respondents highlighted strong governance arrangements, a constructive Board culture, effective support for Board and Committee business, and appropriate support and challenge of the Executive. The findings did not identify any areas of significant concern.

The review identified some areas for further consideration and development, including the continued evolution of governance arrangements in light of the Scheme transformation agenda, strategic use of Board time, performance reporting and the strategic scorecard, Board composition and skills, and Board development. In addition, the report highlights the importance of ensuring that governance, secretariat and executive support arrangements remain aligned with the evolving requirements of the Board and Executive. Progress has already been made in several areas since the questionnaire was completed, and the proposed areas of focus are set out in this paper.

Taken together, the 2026 Board effectiveness review provides positive assurance that the Board is well-functioning, reflective and self-aware, while also identifying areas for focus and

further improvement to support continued effectiveness during a period of leadership transition, strategy development and organisational transformation.

Recommendation / action required

Board is asked to note and discuss the findings from the Board effectiveness self-evaluation questionnaire and agree the areas for further development, which will form the basis of a Board effectiveness action plan.

Equality Diversity and Inclusion

EDI implications

Yes

The OLC remains committed to Equality, Diversity and Inclusion, which continues to be considered as part of Board and Committee business and through the annual Board effectiveness review. The April 2026 paper recorded that EDI was considered as part of the Board's annual effectiveness review and embedded within Board member appraisals and feedback.

The questionnaire findings reinforce the importance of keeping Board composition and diversity of experience under review. Board member feedback identified gender balance, breadth of outlook and background, and the effective use of Board members' skills and experience as areas to continue to monitor.

Freedom of Information Act 2000 (Fol)

Paragraph reference

Fol exemption and summary

Annex A (Questionnaire findings and comments)

Appendix A – Not for publication.
S.36(2)(b)(ii) - Prejudice to the effective conduct of public affairs. Appendix A contains candid feedback and free-text comments provided by Board members and members of the Executive Team as part of an internal Board effectiveness review. Disclosure would be likely to inhibit the free and frank exchange of views for the purposes of deliberation and could prejudice the openness and effectiveness of future Board effectiveness reviews. The main report may be published.

Value for Money (VfM)

Value for Money remains a key consideration in Board and Committee business. The April 2026 report recorded that Board members considered VfM as part of their annual appraisals and that it was embedded across Board and Committee discussions, particularly in budget setting, business planning and external narrative.

The findings also support the continued need to use Board time effectively, particularly by protecting space for strategic discussion and managing agendas, Committee commitments and transformation reporting carefully.

Board effectiveness review 2025/2026

1. Introduction

In line with good governance practice, the OLC undertakes effectiveness reviews on an annual basis, with an external review conducted every third year. The April 2026 paper explained that, while an external review had originally been planned for 2026, the approach had been revised following the recent change in OLC Chair. The 2026 review was therefore conducted internally to enable the new Chair to develop a fuller understanding of the operation of the Board and its Committees.

The April paper provided the first of a two-part update on the 2026 review of Board effectiveness and focused on a thematic review of Board member appraisals. This second update summarises the findings from the self-evaluation questionnaire issued to Board members and the Executive Team.

The questionnaire considered a range of areas relevant to OLC Board effectiveness, including governance arrangements, the work of the Board, composition and culture, support and organisation, progress and impact, and overall effectiveness. Appendix A provides the detailed questionnaire findings and comments.

2. Board effectiveness questionnaire and key themes

The questionnaire findings were broadly positive and provide further assurance that the Board is operating effectively. There were no responses where recipients strongly disagreed with any of the questions or statements, suggesting that the review did not identify any areas of significant concern.

The qualitative feedback was constructive and consistent with the themes from Board member appraisal review, which described a mature, effective and values-led Board with strong governance discipline, well-functioning Committees and improving strategic focus.

Governance Arrangements

Respondents were positive about the OLC's governance arrangements, describing them as clear, effective and well supported.

The findings indicate that governance arrangements will need to continue evolving alongside the Scheme transformation agenda. Feedback highlighted the need to further define the role

of PSG and governance arrangements for Scheme transformation work, and review committee and sub-group structures in light of new leadership, transformation and changing priorities. Executive feedback also identified opportunities to strengthen alignment between Committee Chairs, Executive Leads and Terms of Reference through a planned governance refresh.

A further theme was the importance of closer, more integrated working relationships with key stakeholders to support governance alignment.

It should be recognised that a number of the themes identified through the questionnaire have already been progressed. Since the survey was undertaken, the Board approved a governance refresh, including clarification of the PSG's role and the establishment of a dedicated Transformation Sub-Group. The organisation is also working with key stakeholders to strengthen working relationships. These developments provide evidence of the Board's commitment to continually reviewing and adapting its governance arrangements as organisational priorities evolve.

The work of the Board

Feedback indicates that the Board is effective in providing support, challenge and direction to the Executive. Board member feedback stated that the Board works well as a collective unit and provides appropriate challenge and necessary direction to the Executive Team. The Executive Team noted a positive shift towards greater strategic focus and a stronger Board-Executive relationship.

Respondents identified opportunities to further strengthen the Board's strategic focus and suggested making time for wider cross cutting strategic discussions alongside consideration of specific issues. Executive respondents noted that full agendas can sometimes limit discussion of the most significant strategic matters. However, they also recognised that the new Chair's approach is creating more opportunity for meaningful debate.

Performance reporting and the strategic scorecard were identified as areas for continued development. Feedback highlighted the need for a more balanced scorecard, clearer links between organisational outputs and strategic outcomes, and greater clarity on baselines and measures of success. Executive respondents similarly noted the need for more discussion of how performance information supports delivery of strategic objectives. It should be recognised that work is ongoing to develop the strategic scorecard to align operational

performance and efficiency outputs with the new lean operating model to provide greater transparency, with further plans to strengthen the link between organisational activity, strategic objectives, outcomes and measures of success, including those relating to insight and impact.

Transformation was also a significant theme. Feedback recognised that the organisation is operating in a period of change and will need to remain flexible and responsive. Feedback also noted that reporting on Scheme transformation activity is likely to increase as transformation work progresses and highlighted opportunities to strengthen reporting arrangements by addressing existing gaps.

Since the survey was undertaken, the Board has established a dedicated Transformation Sub-Group to provide governance, oversight, challenge and strategic guidance for the transformation programme.

Composition and culture

Feedback on Board composition and culture was positive. Respondents highlighted the Board's strong mix of skills and experience and described its culture as responsible, focused and driven. Executive feedback noted that Board members provide effective support and challenge, using their expertise to strengthen discussion and decision-making.

Respondents identified opportunities to keep Board composition under review, including the need to rebalance Board composition through the appointment of a further non-lay member, diversity of perspective and the effective utilisation of members' skills and experience.

Since the questionnaire responses were received, recruitment has commenced for an additional Board member. This provides an opportunity to reflect these considerations as part of the appointment process to support the Board's future effectiveness.

A recurring theme was the value of informal Board engagement and Board development. Board member feedback suggested that additional opportunities for more informal and unstructured time to build relationships, discuss issues outside formal agendas and participate in development activities would be beneficial.

Since the questionnaire responses were received, dedicated pre-meeting time and lunch breaks have been introduced to enable informal engagement, strengthen relationships and support a cohesive Board culture.

Support and organisation

Feedback on support and organisation was positive, particularly in relation to induction, governance support and communication. Respondents highlighted the quality of secretariat support, agenda and forward planning, and the timely communication of key information to Board members.

While the Board member induction programme was viewed positively, feedback suggested the value of placing greater emphasis on the role of non-executive directors and awareness of development opportunities beyond induction, subject to available budget.

Scheduling, agendas and use of time were also identified as areas for continued attention. Board member feedback noted that commitments across the Board, committees and sub-groups can create availability challenges, while Executive feedback highlighted that full agendas may limit time for strategic discussion, while recognising that steps were already being taken to create more space for meaningful debate.

Feedback on scheduling and workload also highlights the importance of ensuring that the Board's ambitions and governance requirements are supported by sufficient secretariat and executive support capacity. The Executive Support Team plays a central role in supporting the Board, Committees and sub-groups through meeting administration, forward planning, governance advice, action tracking, reporting and stakeholder engagement. As Board, Committee, sub-group and transformation activity continues to evolve, it will be important to consider the impact of any additional governance commitments and support requirements on team capacity to ensure that the high standard of support recognised by respondents can be maintained.

Progress and impact

The questionnaire findings indicate that the Board has continued to develop and is regarded as operating effectively. Feedback highlighted the continued improvements in the quality of Board papers, supporting a stronger strategic focus, while noting that the Board was already performing well and providing effective challenge. As a result, the findings of the 2026 Board effectiveness review may not be materially different from the previous year.

Respondents also noted that the appointment of a new Chair and new Board members has changed the Board's composition. The 2026 effectiveness review should therefore be viewed in the context of a period of transition and provides a useful baseline against which future effectiveness can be assessed.

3. Proposed areas for further development

The findings of the 2026 Board effectiveness review do not indicate any urgent issues, risks or deficiencies requiring immediate action. This is consistent with the April update, which stated that no urgent issues, risks or deficiencies were identified through the Board member appraisals.

The following areas are proposed for further development:

Theme	Progress to date	Ongoing focus
Governance and transformation	Governance refresh approved at July Board meeting, including clarification of the PSG's role and establishment of the Board Transformation Sub-Group. Engagement with key stakeholders is continuing to evolve, with a focus on strengthening three-way working relationships and supporting greater alignment across shared priorities.	Continue to review governance arrangements as the transformation programme develops and ensure Committee and sub-group structures remain proportionate and aligned to organisational priorities.
Strategic focus	Board agendas have evolved to provide greater space for strategic discussion and debate.	Continue to refine agendas to support cross-cutting, forward-looking and strategic discussions.
Performance reporting and strategic scorecard	Work is underway to further develop and refine the strategic scorecard.	Ensure the strategic scorecard is balanced and clearly links organisational outputs, strategic outcomes, baselines and measures of success.
Scheme transformation reporting	Scheme Transformation Sub-Group and governance refresh approved by the Board.	Continue to develop transformation reporting as activity increases, ensuring the Board has sufficient visibility of progress, risks, impacts and

		delivery against objectives, and that any reporting gaps are addressed.
Board composition and skills	Recruitment is underway for an additional Board member.	Keep Board composition, lay/non-lay balance, skills, diversity of experience and succession planning under review.
Board development	Additional opportunities for informal engagement have been introduced through dedicated time before meetings and during the lunch break at Board meetings.	Consider further opportunities for informal engagement to support Board cohesion, relationship-building and discussion outside formal agendas. Consider opportunities to strengthen NED development, taking account of available resources and budget.
Scheduling, workload and executive support capacity	Agenda management and scheduling arrangements continue to be reviewed to support effective use of Board time.	Continue to monitor Board, Committee, sub-group and Scheme Transformation commitments to ensure workloads remain manageable and time is available for strategic discussion. Consider the impact of additional governance and transformation-related activity on secretariat and executive support capacity to ensure effective support arrangements can be maintained.

4. Conclusions

Overall, the findings from the Board effectiveness self-evaluation questionnaire provide positive assurance that the Board is operating effectively and that its governance, culture and support arrangements remain strong. Respondents recognised the Board's constructive approach, the quality of support provided to Board and Committee members, and the Board's role in providing appropriate challenge and direction to the Executive Team.

The review also identified a focused number of development areas, including the continued evolution of governance arrangements, transformation oversight, strategic use of Board time, the capacity and sustainability of secretariat, governance and executive support arrangements, performance reporting, Board composition and ongoing Board development. These areas are consistent with the organisation's current period of transition and provide a constructive basis for agreeing a targeted Board effectiveness improvement plan for 2026/27.