

Amendment to the Council Member Agreement and Code of Conduct

Purpose of paper	This paper sets out Remco's further considerations on the proposed length of time between demitting office as a Council Member, and possible employment in a paid capacity for the GDC.
Action	For decision
Status	Public
Corporate Strategy 2016-19	Performance - Objective 3 - To be transparent about our performance so that the public, patients, professionals and our partners can have confidence in our approach.
Decision Trail	<p>The issues surrounding the appointment of the Chair of the DSG were discussed at the Council meetings on 27 September and 26 October 2017. A lessons learned review was undertaken by the Chair of the Audit and Risk Committee.</p> <p>The report from the review was considered by the Council on 1 February 2018 and the recommendations were accepted.</p> <p>RemCo have continued to consider progress against the recommendations throughout 2018.</p> <p>A further progress report, therefore, was discussed at Remco on the 24 May 2018 and a subsequent paper produced for July Council including amendments to the Council Member Agreement and Code of Conduct.</p> <p>Remco had proposed a 2-year restriction between being a GDC Council Member and assuming another GDC paid role, which Council queried.</p> <p>This was further discussed at the 8 November 2018 meeting where it was agreed that a 1-year restriction would be recommended to Council for approval.</p>
Next stage	If approved, the necessary amendments to agreements and the Code of Conduct would be made and circulated to Council Members
Recommendations	The Council is asked to approve the revised proposal of a 1-year restriction

Authorship of paper and further information	Bobby Davis Executive Director, Organisational Development BDavis@gdc-uk.org
Appendices	None

1. Executive Summary

- 1.1. RemCo received the action plan to implement the recommendations made by Chair of the Audit and Risk Committee in relation to the appointment of the DSG Chair, at its February meeting. It was agreed that updates on the implementation of the action plan would be presented to each meeting of RemCo in 2018 and included in the Committee's report to the following Council meeting.
- 1.2. A further progress report, therefore, was discussed at Remco on the 24 May 2018 and a subsequent paper produced for July Council including amendments to the Council Member Agreement and Code of Conduct.
- 1.3. Remco had proposed a two-year restriction between being a GDC Council Member and assuming another paid role at the GDC, which Council queried. Views were expressed that the restriction was too long and that if knowledge of the organisation were to be an asset, it should not be too out-of-date.
- 1.4. Remco were asked to reconsider the proposed length between demitting office as a Council Member, and possible employment in a paid capacity for the GDC, and report back to Council. This was duly achieved during Remco on 8 November 2018 where the members considered revising their proposal against some key points and a spectrum of timeframes.
- 1.5. The Council is asked to approve the revised proposal of a 1-year restriction.

2. Background

- 2.1 Remco recommended that there should normally be a two-year break between a Council Member completing their term of office and being appointed to either an executive or associate role. If there was a specific reason why the Chief Executive concluded that it would be appropriate to appoint a former Council Member to a paid role less than two years after demitting office, this would be formally discussed with the Chair of Council and, with their agreement, the Council, as a whole, before the appointment is made. With the exception of appointments that are reserved to the Council or made by SPC, a decision on the appointment will however rest with the Chief Executive and Registrar.
- 2.2 This recommendation was based on information received from several Regulators who had been approached on this point. A number have no restrictions in place although the General Optical Council does have a two-year restriction. With research showing a span of zero to 2-year restrictions, Remco agreed to recommend 2 years to Council.

3. Further Consideration

- 3.1. Having considered further feedback, utilising the network at committee members disposal, Remco discussed the restriction period again at their subsequent meeting in September and offered the following:
- Whatever the period of time agreed upon, this is a pivotal decision for Council. Council are being asked to agree a policy that limits Council Members' ability to benefit financially from decisions that they have or may have been involved in, by setting a realistic timeframe given the length of time that some decisions take to progress through a regulatory organisation;
 - Whatever the period of time agreed upon, Council would be in an area of judgement rather than rulebook, reiterating the point made by the Chief Executive that whatever the restriction, it was not an absolute;
 - A clear division of responsibilities between leadership of the board (Council) and the executive leadership of an organisation's business is widely accepted as best governance practice including in the UK corporate code¹ and articulating this as such for the GDC should be accomplished.
- 3.2. Remco considered their decision of revising the original proposal against these key points of discussion and the following spectrum of timeframes:
- A 5-year gap limits a reputational risk and is potentially overly cautious;
 - A 2-year gap is prudent, could leave the organisation open to some risk if decisions linger but for the most part the chances are probably minimal;
 - 6 months is a usual amount of time to fill a senior post in an organisation and could be considered too short since it is entirely possible to envisage a situation in which a Council Member demitting office is sounded out about a future post which leaves them in a vulnerable position to make decisions in the last months of their term.
 - 1 year, however, whilst still with some level of risk, may seem feasible since it is unlikely that a post would be planned that far out;
 - Although many organisations appeared to have no restrictions at all, such a decision comes with a much higher level of risk and is not considered best practice.

4. Recommendations

- 4.1. Council is asked to approve the revised proposal of a 1-year restriction.

¹ UK Corporate Code 2018 comes into affect January 2019