



Job description: Sheffield BID Non-Executive Director (NED)

About Sheffield BID

Sheffield BID is the accountable not-for-profit delivery body for the city centre's Business Improvement District which was established by ballot in 2015.

The city centre BID scheme is delivered through a business partnership of 400+ UK and independent retailers, hospitality and commercial employers within the BID boundary. These businesses pay a levy to fund the BID and its many projects and during the first term raised over £4m of additional investment.

In 2021, as required by the BID Regulations 2004, an updated BID proposal was put to a renewal ballot with over 92.5% of votes cast in favour (96.4% by RV) of continuing the city centre BID for a further five years (1 April 21 to 31 March 26).

The work of Sheffield BID is overseen by a board of NEDs. The main function of the Board is governed by Article 80 of the Company's Articles of Association and is summarised at Appendix 2.

NEDs are appointed by Company Members through a process of democratic election and at bi-yearly intervals the Board rotates to enable new board members to join. The Company Members are BID levy payers who subscribe to the Company's Memorandum and are given certain basic rights such as the power to vote for directors and on ordinary and special resolutions to the Company's Articles.

For vacant seats in between board rotations, the directors can resolve to fill empty seats through a selection process handled by a Nominations Committee.

The next board rotation is October 2022.

(Sheffield City Council and South Yorkshire Police are entitled to each appoint one Director. These Directors are not subject to the election or rotation process described above.)

Accountability

You will work alongside other non-executives as equal members of the Board. You will share responsibility with the other directors for the decisions made by the Board and for the success of the Company.

Main duties and responsibilities

You will bring innovation and experience, helping to drive forward the strategic agenda of the Board.

There should be constructive challenge of proposals so that decisions made by the Board achieve the best outcome. You will balance the need to remain independent of the operational day-to-day

business of the Company, while maintaining a level of knowledge that will enable you to ask tough, objective questions.

You should be able to scrutinise operational and financial performance and satisfy yourself as to the integrity of financial and other information, and that financial and internal quality controls and systems of risk management are robust and defensible.

NEDs with the appropriate skills and experience are appointed as Chair or members of sub-committees including but not limited to:

- Audit, Risk & Compliance Committee
- Remuneration Committee
- Nominations Committee
- Hardship Committee

The Chairs of the Board committees have responsibility for setting their committees' agendas with the executive officer. They are responsible for ensuring that the committees fulfil their terms of reference, providing independent, objective review and assurance to the Board.

NEDs holding sector seats should ensure that they are visible across the sector to BID levy payers.

All NEDs should safeguard the good name and reputation of the BID.

Person specification

Our Board is made up of people that are representative of the cross-sector nature of the businesses that pay the BID levy, including retail, food/restaurant, night-time economy, office/professional, leisure/culture and education. We also have public sector representation on our board but in line with the BID Regulations 2004 this does not exceed 20% of appointments. As per the BID Regulations, the Board is chaired by a board member from the private sector. We are working on developing a board diversity policy.

Experience and background

- Our NEDs do not require any previous experience but will have extensive experience of operating at a senior level and possess strong business acumen.
- Be able to analyse and interpret financial data.
- Have knowledge of governance and how boards should add value and be able to provide strategic direction.
- Be able to chair meetings (and sub-committee meetings) effectively.
- Be able to lead an organisation through periods of change and demonstrate a thorough understanding and appreciation of the issues facing a complex and developing organisation in a changing environment.

Personal qualities

- Have an interest in developing the commercial environment, place management or place marketing but more importantly a strong commitment to the values of the BID and a passion for developing Sheffield city centre for the benefit of all.
- Have strong levels of personal integrity.

- Apply specialist knowledge and experience appropriately.
- Develop and maintain constructive professional relationships (including the executive team, other Board members and key stakeholders) through excellent interpersonal skills, team working and good communication style.
- Foster an ethos of continual improvement and a learning culture for the BID and be passionate about the continual development of the Board.

APPENDIX 1 – FAQs

Governance and compliance for BID NEDs

1. What is a non-executive director (“NED”)?

There is no legal distinction between executive directors and NEDs. In the UK, NEDs have the same legal duties, responsibilities and potential liabilities as their executive counterparts.

The UK Corporate Governance codes states, "NEDs should have sufficient time to meet their board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold management to account."

2. What does an NED do?

NEDs are expected to focus on board matters and not stray into ‘executive direction’, providing an independent view of the Company that is removed from the day-to-day running.

NEDs are appointed to the Board to bring:

- Independence
- Impartiality
- Wide experience
- Special knowledge
- Personal qualities

3. What are my legal duties as an NED of Sheffield BID?

NEDs are subject to the codified duties of directors contained in the Companies Act 2006 in the same way as executive directors.

Here is a quick summary of the main duties that directors must be capable of discharging so as not to be in breach of their duties.

- You should act in good faith and in a manner that promotes the success of the BID Company for the benefit of its members collectively. This is your overriding duty. (*s.172 Companies Act 2006*).
 - It is important that you show the same commitment to our success as you do to your own executive colleagues.
 - You must safeguard the good name and reputation of the Company.
- You should exercise independent judgement and satisfy the duty of reasonable care, skill and diligence. (*Duty of skill and care s.174*).
 - As a director it is a legal necessity to exercise independent judgement. You cannot follow the decision of a third party or fellow director – you need to consider the interests of the Company and believe in your decision.

- Subsequently, you must respect and promote the collective decision of the Board even if you personally voted against a specific decision.
- You should declare to the BID Board the nature and extent of any interest you may have in any transaction or arrangement to which the BID Company is or may be a party. (*Duty to declare interests s.177 and s.182*)
- There is a very wide statutory obligation to avoid conflicts of interest. You should avoid any situation where you have or can have an interest that may directly or indirectly conflict with the Company's interests.
- As a director you are also duty bound to act within the powers conferred by the Company's constitution (Articles of Association) and for their proper purpose (*Other duties s. 171, s. 173 and s. 176*).

If you have any concerns you should seek legal advice before accepting a role as an NED.

4. What is my personal liability as a BID NED?

Within the legal environment directors can be held accountable for their actions or lack of action. The liabilities of NEDs are the same as those of executive directors. The Company's liability is limited; the directors' liability is not. The BID Company has in place a directors' and officers' insurance policy to cover, in the unlikely event, the cost of compensation claims for alleged wrongful acts.

5. What are the key responsibilities of BID NEDs?

The Chair of the Board and Executive team members use NEDs to provide general counsel – and a different perspective – on matters of concern. We may seek your guidance on specific issues before they are raised at board meetings. Some of the main specialist roles of a BID NED will be carried out in a board sub-committee (particularly audit, risk and compliance committees).

6. Where will my loyalties lie?

The BID Company receives investment by way of a mandatory levy and most board appointments are by nominations from those Company Members that pay the levy. The duty to exercise independent judgement makes it clear that simply acting under instructions (or in the interests of a Company Member or group of Company Members) without considering the interests of the Company could be a breach of your duties.

7. How many BID Board meetings do I need to attend?

The full Board meets quarterly in January, April, July and October each year. Meetings typically last two hours. Some of the main specialist roles of a BID NED will be carried out in a board sub-committee (particularly audit, risk and compliance committees) and you will be invited to attend annual general meetings and other BID functions as may be organised from time to time.

8. What happens if I cannot attend a BID Board meeting?

The BID Company sets board meeting dates 12 to 18 months in advance. However, we understand that our NEDs may on occasion be unable to attend a meeting. You may send your apologies, or an Alternate Director may attend if you have a board resolution agreeing to your nominated Alternate. The directors may ask you to leave office if you are absent from meetings for 12 consecutive months without prior agreement. The BID Company maintains a rolling register of attendance which is included in board packs.

9. How do I appoint an Alternate Director?

You may nominate an Alternate Director to replace you when you cannot attend Board meetings.

Alternate Directors are responsible for their own acts and do not represent you. Fielding of an Alternate Director should be by exception and not the norm.

An Alternate Director does not have to work for the Company Member that nominated you for a board appointment. However, your Alternate Director must be approved by resolution of the Board of Directors and once approved the position is not transferrable. Should you wish to nominate a different Alternate you must seek a further resolution from the Board.

10. Who else can attend BID Board meetings?

By prior agreement from the Chair, observers may be invited to attend meetings from time to time. In addition, other individuals may be invited to attend as guest speakers or because an agenda item requires specific skills, knowledge or guidance.

11. Will I receive any remuneration as a NED?

No, NED appointments are not remunerated except that the BID Company will reimburse reasonable expenses for attendance at meetings or otherwise in connection with the discharge of duties.

12. The Company Member that nominated me has ceased to be a Company Member and/or I have left the employment of that Company Member – what happens next?

Company Membership is not transferrable so if the member nominating you for a board appointment ceases to be a BID levy payer or a Company Member, you will need to leave office. If you were an employee of the member nominating you and you leave the employment of that member, you will need to leave office.

If you are temporarily appointed to a vacant seat by the Board by the directors, you will need to stand down at the next schedule board rotation but can offer yourself for reappointment if you receive a nomination from a Company Member.

13. If I resign as an NED what happens to my seat?

Often directors need to leave office for a variety of reasons including point 12 above.

You will need to confirm your resignation to the BID Company so that we can remove you from the Companies House register. The seat will remain vacant until the next scheduled board rotation. Board seats are not transferrable; NEDs must be democratically elected by the Company Members but if you leave office in between a board rotation, the Board can resolve to fill the vacancy temporarily through a selection and interview process handled by the Nominations Committee who will then make a recommendation(s) to the Board.

As point 12 above, directors appointed in this manner should stand down at the next scheduled board rotation but can offer themselves for reappointment if they receive a nomination from a Company Member.

14. Will my performance as a NED be reviewed/appraised?

Undertaking a formal and rigorous review at intervals of the Board's own performance and that of its committees and individual directors is part of the Company's corporate governance.

Individual director reviews may be undertaken by the BID Board Chair and Deputy Chair (and collectively the NEDs review the performance of the Chair and Deputy). This is a necessary part of our corporate governance and supports succession planning as well as identifying skills gaps and support required for individual NEDs.

APPENDIX 2 – BID Corporate Governance

