

# Who monitors external appointments to government departmental boards?

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*Non-executive directors (NEDs) have been a feature of departmental boards [since the formative stages of their development](#) in the early 1990s. Employed by Conservative and Labour governments alike, the directors are seen by many as a complementary addition to the machinery of Whitehall – valuable for the experience and ‘outsider’ perspective that they are deemed to bring to their respective departments. So far, the Coalition government does not appear to have deviated markedly from this view. In fact, it has already announced its intention to ‘beef up’ the role of non-executives by insisting that departmental boards should henceforth consist equally of ministers, senior civil servants and non-executives; by designating new, ‘lead’ non-executives; and by [investing non-executives with the power to recommend the removal of their department’s permanent secretary](#). **Stephen Crone** looks at the implications.*



These changes to the role of non-executive board members have not gone entirely unopposed. Shortly before the first tranche of new NEDs were revealed in December 2010, [grumbles were reported](#) from senior civil servants regarding the adverse consequences which the new boards could have on civil service independence. In April this year, meanwhile, the [House of Commons Committee of Public Accounts](#) – perhaps partly echoing earlier concerns – expressed the view that the NEDs’ new power to advise the dismissal of permanent secretaries may, in practice, unduly restrict the secretaries’ freedom of action.

And yet, this fairly meagre criticism aside, there has been little parliamentary or media scrutiny of what is perhaps the most obvious source for potential consternation: namely, the new non-executives themselves. This is surprising – especially when one considers that even five minutes of the most elementary detective work immediately reveals a number of questionable appointments.

Among these are the names of John Nash and Theodore Agnew – both recent arrivals at the Department for Education. Nash is said to have commercial interests in private education; Agnew – a trustee of Policy Exchange – is considered to be one of the key figures behind Tory education policy. Between them, it is worth adding, the two have donated hundreds of thousands of pounds to the Conservative Party.

Why does this matter? Well, as with other people in public service, Nash and Agnew, as non-executive directors, are

expected to uphold the Seven Principles of Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership). And yet, in this instance, one could surely be forgiven for wondering how the two can be expected to discharge their duties objectively, when together they have so much invested – either commercially *or* personally – in a very specific set of (rather controversial) education policies.

Similarly, one might question whether there is a possible conflict of interest in the Department for Culture, Media and Sport asking David Verey, a director of the Daily Mail and General Trust, to help steer the government's media policy; or whether a non-executive director of Greggs the bakers and former CEO of Tate and Lyle is really the most suitable candidate to be entrusted with power at the department responsible for the nation's food supply.

The overall problem, it seems, is that, in hastily parachuting in non-executive directors *en masse*, questions of suitability have been neglected by the government – or, worse still, ignored. Whilst many respected commentators, such as the Institute for Government, remain supportive of the role that can be played by non-executive directors, it is clear that greater efforts must be made in future to ensure that appointees are unfettered by potential conflicts of interest, and are therefore able to command the confidence and trust of the public.

[Click here](#) for a full list of the non-executive Directors of government departmental boards, with details of the wider business interests of individual board members, where appropriate, compiled by Stephen Crone of Democratic Audit.

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