

Report to	Resources and Performance Committee
Date	9 June 2011
By	Director of Corporate Services
Title of Report	Resources and Performance Committee – Terms of Reference and Membership
Purpose of Report	To allow the Resources and Performance Committee to make recommendations in relation to its terms of reference and the number of members of the Committee

Recommendation: The Committee is recommended to:

- 1. Recommend revised terms of reference to the Authority**
 - 2. Recommend a reduction in the number of members of the Resources and Performance Committee from 10 Members of the Authority to 8**
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1. Introduction

- 1.1 Terms of reference for the South Downs National Park Authority's (SDNPA) committees, including the Resources and Performance Committee, were agreed in April 2010. In the light of a year's experience and changes in the SDNPA's responsibilities, revised terms of reference are proposed.
- 1.2 Currently there are 10 Members of the Authority on the Resources and Performance Committee. In view of increasing workloads facing Members in other areas of the organisation it is proposed to reduce the size of the Committee from 10 Members to 8.

2. Background

- 2.1 At its meeting on 20 April 2010 the Authority approved its standing orders including the terms of reference for its committees including the Resources and Performance Committee. The current terms of reference are set out in **Appendix 1**. For comparison purposes the terms of reference for two other SDNPA committees are also shown.
- 2.2 The revised terms of reference for the Audit Committee which it will propose to the Authority meeting on 21 June 2011 are shown in **Appendix 2**.

3. Revisions to the terms of reference

- 3.1 Over the past year, the Resources and Performance Committee has been involved in a number of areas including budget preparation, preparation of the business plan, financial monitoring and treasury management. It has overseen the development of policies such as the SDNPA Financial Regulations and Financial Procedures.
- 3.2 The Committee has also considered specific projects such as the procurement of the planning system and acquisition of the vehicle fleet.
- 3.3 One area which will need to be developed going forward is the approach to performance management. This will be driven initially by the objectives established in the 2011-12 business plan but over time the Management Plan will become a key influence.
- 3.4 Almost inevitably there is some overlap between the Resources and Performance Committee, which currently has a role in the use of resources (particularly financial resources) and monitoring performance, and the Audit Committee which is seeking assurances about the overall control framework which is in place and specific aspects such as

risk management. A joint workshop is planned to consider the approach to risk management and the development of Key Performance Indicators.

- 3.5 It is proposed that the Committee's role in relation to financial resources and performance management should be retained and developed. In addition the current terms of reference for the Resources and Performance Committee could be developed to cover more explicitly the other resources which the organisation uses including people (human resources), information (including ICT) and assets (particularly properties and vehicles).
- 3.6 **Appendix 3** sets out proposed revised terms of reference for the Resources and Performance Committee. These are based on the important roles of advising the Authority on the use of resources, ensuring appropriate arrangements are in place to manage resources and monitoring the performance of the SDNPA, for example against the business plan.
- 3.7 It is proposed to delete:
- hearing appeals from staff pursuant to HR policies because the current HR policies, which have based on best practice, already have arrangements for appeals via senior managers and the Chief Executive. (Separate arrangements apply in the event of appeals against the Chief Executive).
- 3.8 The proposed responsibilities:
- Retain a focus on finance but have been extended to cover all resource areas rather than predominantly finance. Resources in this context encompasses: money, people, assets, technology and information;
 - Cover recommending resource plans to the Authority including the annual budget and business plans but other resource strategies as well;
 - Clarify the monitoring role;
 - Involve the Committee being satisfied that the necessary policies, procedures and systems are in place to support effective resource and performance management; and
 - Include specific reference to the provision of support services and information about customer feedback.
- 3.9 The role of the Resources and Performance Committee does not extend to receiving reports on other aspects of the SDNPA's work. So information relating to planning services, the development of the management plan and the operations activities, will be reported direct to the Authority. However, the performance of these areas will be considered as part of the regular performance monitoring undertaken by the Committee.

4. Size of the Resources and Performance Committee

- 4.1 Currently there are 10 Members of the Authority on the Resources and Performance Committee. This is similar to the Planning Committee but larger than the Standards Committee (5 plus 2 independent Members) and Audit Committee (4 plus 2 independent Members). The Audit Committee is recommending an increased membership of 5 plus 2 independent Members. The Authority's Chair and Deputy Chair are ex officio members of all committees except the Standards Committee. This is an opportunity to review the size of the Resources and Performance Committee.
- 4.2 To increase the effectiveness of the Committee and in view of the developing workload facing Members in the coming months (for example in contributing to developing the Management Plan, the Sustainable Communities Fund panel and working groups relating to branding and Rights of Way), Members may wish to recommend a reduced size for the Committee, say from 10 to 8 Members.

5. Resources

- 5.1 There are no additional resource implications arising from this report.

6. Risk Management

- 6.1 There is a potential risk, at least of duplication, if there is not clarity between the roles of the various committees and the Authority. The terms of reference are intended to clarify and distinguish the roles.

7. Human Rights, Equalities, Health and Safety

- 7.1 There are no implications arising from this report.

8. External Consultees

- 8.1 None.

JOHN BECKERLEG

Director of Corporate Services

Contact Officer: John Beckerleg, Director of Corporate Services

Tel: 0300 303 1053

email: John.Beckerleg@southdowns.gov.uk

Appendices

Appendix 1 – Existing Committee Terms of Reference

Appendix 2 – Proposed Terms of Reference for Audit Committee

Appendix 3 – Proposed Revised Terms of Reference for the Resources and Performance Committee

SDNPA Consultees

Chief Executive Officer, Head of Planning, Director of Strategy and Partnerships, Head of Operations, Chief Finance Officer, Deputy Chief Finance Officer, Monitoring Officer & Senior Solicitor.

Existing Committee Terms of Reference

Audit Committee: Existing Terms of Reference

The purpose of this Committee is to review the Authority's performance, monitor its use of resources (including human resources), receive reports from the auditors and consider issues associated with the corporate governance of the Authority.

- To agree the Best Value Review programme and to receive reports and monitor progress against action plans
- To agree the District Auditor's annual Audit and Inspection Plan;
- To agree the Internal Audit Service Programme;
- To consider any reports from the Authority's Internal Audit Service and/or the District Auditor;
- To review the adequacy of audit action plans and monitor progress against them to ensure their effective implementation
- To agree the plans for the SDNPA to input into ANPA/ENPAA-wide functions including performance management.
- To receive and consider the annual report on the complaints procedure, reports on customer survey/satisfaction, peer reviews, self assessments etc.
- To scrutinize and keep under review Internal Control Mechanisms
- To investigate issues as appropriate;
- To monitor and review the Corporate Risk Strategy and Register

Resources and Performance Committee: Existing Terms of Reference

The purpose of this Committee is to oversee all resource management of the Authority including financial, people and assets. It recommends a suite of performance indicators and monitors the use of resources (including human resources) by the Authority.

The functions of the Committee are:

- To recommend a draft budget and draft Corporate Plan to the Authority;
- To agree key performance indicators, to recommend priorities to the Authority and to monitor progress against these;
- To monitor and review the performance of the Authority against its Corporate Plan, priorities and all statutory and other performance indicators, or agreed service standards and targets;
- To receive quarterly budget monitoring reports and to monitor the financial performance of the Authority in the context of its business delivery and the management and maintenance of the Authority's assets;
- To consider the Annual report; and
- To hear appeals from staff pursuant to HR policies.

Standards Committee: Existing Terms of Reference

A Standards Committee is a mandatory requirement of a NPA and its role is set out in Section 54 of the Local Government Act. It requires at least 25% of its Members to be independent and for there to be an independent Chair.

Its general functions are:

- To promote and maintain high standards of conduct by Members and officers of the Authority;
- To consider and determine complaints against Members under the Authority's Code of Conduct;
- To assist Members of the Authority to observe the Code of Conduct.

To deliver these the Committee's responsibilities are to:

- Advise the Authority on the revision and adoption of a Code of Conduct;
- Monitor the operation of the Code of Conduct;
- Advise, train and arrange to train Members of the Authority on matters relating to the Code of Conduct; and other protocols such as Member/Officer
- Promote high standards of conduct within the Authority, through advice, assistance and training;
- Receive complaints alleging non-compliance with the Code of Conduct, to consider allegations and determine:
 - To refer for local investigation or other action; or
 - To refer to Standards for England; or
 - That no action is necessary
- Convene a hearing for determination of allegations of misconduct, following local investigation;
- Hear any appeals by a person aggrieved by a determination that no action is necessary in respect of their complaint;
- Report as required to Standards for England;
- Consider and advise on other matters relating to conduct, ethics and propriety as referred to it by the Authority's Monitoring Officer;
- Consider and determine request from Members of the Authority to receive dispensation to speak on and participate in a matter in which they have a prejudicial interest; and
- Monitor the effectiveness of the Authority's complaints process, making recommendations to the Authority on any issues arising.

Proposed Revised Terms of Reference for Audit Committee

The Audit Committee has the responsibility:

1. To provide assurance on the adequacy of internal audit arrangements
2. To ensure the robustness of risk management and performance management arrangements
3. To consider the adequacy of arrangements for the prevention and detection of fraud and corruption
4. To agree the internal audit plan and annual report, and receive progress and other relevant internal audit reports
5. To agree the District Auditor's Annual Audit and Inspection plan, and receive the District Auditor's Annual Governance Statement and other relevant reports
6. To review the Authority's Annual Governance Report
7. To approve the Statement of Accounts in accordance with the Accounts and Audit Regulations 2003

Proposed Revised Terms of Reference for the Resources and Performance Committee

The purpose of this Committee is to advise the Authority on resource* plans and to monitor the use of resources and performance. This covers :

1. To recommend annually to the Authority:
 - a draft Medium Term Financial Strategy and draft annual budget (capital and revenue);
 - the business plan including appropriate objectives and key performance measures;
 - appropriate resource plans (including workforce plans, information strategies, procurement, and estates strategy); and
 - Treasury Management arrangements;
2. To ensure that appropriate policies, procedures and systems are in place to support effective resource management (including money, people, assets, technology and information);
3. To monitor and review the financial performance of the Authority in the context of its business delivery and the management and maintenance of the Authority's assets; agreeing budget changes in accordance with the SDNPA's standing orders and financial regulations, and approving specific business cases for investment (unless covered by other, agreed arrangements such as grants panels);
4. To monitor and review performance against the Authority's objectives and priorities, business plan and other resource plans, and all statutory and other performance indicators, or agreed service standards and targets; and reporting to the Authority with recommended changes if appropriate;
5. To consider reports on peer reviews, self assessments, surveys and customer feedback; and
6. To agree arrangements for the procurement and ongoing monitoring of external contracts for support services.

*Note: Resource refers to money, assets, technology, people and information