

Report to	Resources & Performance Committee
Date	13 February 2013
By	Director of Strategy & Partnerships
Title of Report	Approvals Process for Projects
Purpose of Report	To approve the establishment of a 'Star Chamber' at Officer level to improve the consistency of scrutiny in delivering the existing financial delegations

Recommendation: The Committee is recommended to:

- 1. Note existing mechanisms for project funding and grant making, and;**
 - 2. Approve the establishment of a 'Star Chamber' at Officer level to improve the consistency of scrutiny in delivering the existing financial delegations.**
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1. Introduction

- 1.2 This paper proposes a new approvals mechanism, a 'Star Chamber' of Chief Executive Officer, Directors and other officers, to improve the level of scrutiny for significant South Downs National Park Authority (SDNPA) projects and bids to it for grants by external bodies, without overloading the current Members body – the Major Partnerships Panel (MPP). The proposal does not involve any changes to existing financial delegations. Its aim is to increase the breadth and consistency of scrutiny, to free the MPP to focus on larger projects and to provide a framework for regular reporting to Members.

2. Existing mechanisms for funding projects

- 2.1 The SDNPA has a range of budgets available from which projects can be funded. In addition to the Major Partnerships Fund and the Sustainable Communities Fund, for which Panels provide advice, budgets for commissioning consultancy work or project support are held in various parts of the Authority. These budgets are set as part of the Resources & Performance (R&P) Committee approval process before the start of each financial year and operated under financial delegations to the Chief Executive Officer and the appropriate Directors.
- 2.2 The Major Partnership Fund (MPF) itself was set up in the shadow year of the SDNPA to fund substantive projects from third parties. The SDNPA approved a budget for the MPF of £0.300 million for 2011/12, and £0.400 million for 2012/13. It has an advisory panel, the MPP, which comprises the Chair and Deputy Chair of the SDNPA, the Chairs of R&P, Planning, and Standards and Audit Committees, and the Chair of the Sustainable Communities Fund Panel.
- 2.3 The MPP is not a formally constituted Committee of the Authority and therefore has no powers to approve expenditure. Its principal role has been to provide an independent level of assessment to the Director of Strategy and Partnerships of large grant (£20k +) applications which are made from partners. If a bid is supported it is then formally approved under the delegation of the Director of Strategy and Partnerships (up to £50k) or the Chief Executive Officer (up to £100k), leading to a virement of funds from the R&P approved budget line for Major Projects to a line for the specific project. The MPP does not consider other projects funded by other budget lines within the SDNPA, and were it to do so its workload would become unsustainable. The proposal for a Star Chamber is designed to address this by bringing all projects within a single clearly accountable framework.

3. Star Chamber Proposal

3.1 The following proposal was discussed by the MPP and is recommended to R&P:

For all projects proposals between £20,000 up to £50,000, and for those for less than £20,000 but which are judged to carry significant organisational risk, it is proposed to put a new scrutiny mechanism in place. This mechanism would apply to expenditure on any of the budget lines mentioned above not just the budget for the MPF. It would use existing MPF processes (a Project Initiation Document (PID) etc) but involve a “Star Chamber” of Officers. Star Chamber meetings would be chaired by the Chief Executive with two Strategic Management Team (SMT) members (one being the sponsor), up to three staff with specific knowledge and skill in each project application theme, and the External Funding Manager.

3.2 The proposal has two advantages: first, it would ensure that projects which are below £20k in value but are of significance to the Authority are subject to more consistent and rigorous scrutiny, second, it would enable the Members’ Panel to concentrate on projects of over £50,000. This would create a more streamlined and consistent approach.

3.3 The decisions of the Star Chamber would be reported through to the Major Partnerships Panel on a quarterly basis, which would in turn make half yearly reports to the Standards and Audit Committee covering all of its activities (both the decisions above £50k that it has made in its own right and the Star Chamber reports). This ensures that Members have a strong overview of all the substantive pieces of work funded by the SDNPA. The operation of both the Panel and the Star Chamber should be reviewed in six months to ensure that they are proportionate and strike the right balance between rigour and scrutiny and efficiency in decision making.

4. Resources

4.1 The key resource implications would be an increase in officer time requirements for Star Chamber meetings. This should be offset by a reduction of the burden on the MPF Panel and in ore ad hoc officer meetings to consider projects.

5. Risk management

5.1 This proposal helps to address the peer review recommendation that systems of performance management and monitoring need to be improved, although a great deal of further work is underway in this area. The principal risk is around additional workload for SMT and Standards and Audit, but this can be assessed at the proposed six month review. There is also a slight risk that the new system could introduce delay, but this is offset by the fact that the current arrangements fail to provide a consistent level of scrutiny rigour for the SDNPA in its deployment of funds for major projects involving partners or external suppliers.

6. Human Rights, Equalities, Health and Safety

6.1 There are no implications arising from this report.

7. External Consultees

7.1 None.

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Appendices N/A

SDNPA Consultees Chief Executive Officer, Director of Corporate Services, Director of Planning, Director of Strategy and Partnerships, Director of Operations, Chief Finance Officer, Deputy Chief Finance Officer, Monitoring Officer & Legal Services.

