

staffing structure. A rationalisation of the staff team in 2016/17, has enabled HSP to be fit for the future and to meet the needs of our primary funders, Sport England. We employ a relatively small core team which includes an experienced Senior Leadership Team whose breadth of knowledge and stability over the last 14 years has provided consistent leadership and direction to the Partnership. To compliment the core staffing team, we have a number of *Associates* who work for, but are not employed by the Partnership as a cost effective way of managing our work. Some of those Associates are former members of the team or have been involved in key stakeholder organisations, and their knowledge and experience is invaluable in support of our work.

Over recent months, there has been increasing uncertainty for staff due to very short term funding allocations, whilst our principal funders confirm their requirements, and we are indebted to the staff team for their commitment and continued passion during this difficult period.

HSP takes great care in the recruitment and development of team members, to ensure service quality and delivery is maintained at the highest level. We are committed to staff development, regardless of whether the team member is a volunteer work experience student, an intern, on a short term contract or a more permanent member of staff and we pride ourselves on being a developmental organisation.

There is a training and development programme, informed by an annual Training Needs Analysis and continuous professional development is encouraged. Ongoing feedback from staff is also part of our continuous improvement loop.

The welfare of the team is integral to the success of the organisation, as they are and will remain our greatest asset.

Finance

With the Partnership's forecasting and budgetary control systems firmly embedded within the University's finance system, we are now subject to more robust financial management processes than ever. The fact that the university has a different financial year to the Partnership, presents its own challenges, but a close working arrangement between the Partnership's Finance Officer and the University's Finance Department has facilitated a smooth preparation of forecasting and financial reporting.

Reserve Accounts

The Partnership's reserve accounts currently stand at:

- Restricted Reserves - £449k
- Unrestricted Reserves - £100k

Revenue Estimates 2017-18

Preparing annual revenue estimates for this period has been challenging, with our principal funder, Sport England, having to date only confirmed core funding for the first six months of the financial year. Subject to ratification by the Sport England Board at its June 2017 meeting, we are hopeful that this will be extended, *in principle*, until the end of March 2021

Moreover, project funding for both *Coaching* and *Satellite Clubs* has also only been confirmed until the end of September 2017, but indications would suggest that these funding streams may be extended beyond that time, subject to the submission of satisfactory plans to the funding body.

We have now received confirmation that our *Active Together* work will be funded for a further 12 months – until 31st March 2018 - though the focus of the role to be undertaken by the Partnership, on behalf of the commissioners, will change to one of mapping, brokerage, and feasibility studies, rather than the direct and/or indirect delivery of community programmes, as was previously the case.

In this current period of uncertainty forecasting for the medium term is particularly challenging, however this has been completed with the available information and will be reviewed regularly by both the Senior Leadership Team and the Board.

In refreshing the Partnership's Strategic Plan, there were a number of key areas identified by the Board, core team and stakeholders that need further consideration, as they fall outside the remit of any external funding programmes.

The existing community sporting infrastructure – clubs, coaches and volunteers - was flagged as one of the most important areas in need of our support. It was support of this sector that was one of the key drivers for the establishment of HSP back in 2003 but there is a worry that in the drive to address inactivity in sedentary and disadvantaged groups that the importance of our community clubs – and we have 2500+ in Hertfordshire – could be overlooked. We firmly believe that it is essential that we continue to support this core market as it plays such an important role in community life in the county. If we are to successfully address the inactivity issue in the county, more than ever we will need a vibrant community offer, to cater for the new demand.

However there is no identified funding to support this local infrastructure and if that support is deemed to be of sufficient importance funding will need to be created through income generation from other projects, or by the Board investing some of the Partnership's reserves.

Customers

As a strategic Partnership organisation, our stakeholders are, in the main, our customers. A significant shift over the last 12 months has seen the team reduce its direct programme delivery, which was previously driven by health sector related opportunities and a requirement by Sport England to diversify our funding streams. Our revised role in return for the continued core funding from Sport England places an emphasis on strategic networking, advocacy and supporting local authorities.

Our reputation as trusted and accomplished bridge builders with a track record of excellence in partnership working, will enable us to ensure that all of the relevant agencies – including the non-traditional partners – clearly understand what Sport England is trying to achieve locally; the opportunities for involvement in delivering that ambition; and support available for any such involvement.

The rationale for our strategic relationships will be to ensure that there is a cross sector awareness of the Government, Sport England and local priorities and awareness around the potential engagement opportunities for key stakeholders. We will also need to identify the optimum way to

address particular issues - with HSP acting as a reputable honest broker to secure impactful, effective and innovative collaborative solutions.

We believe that there are a wide range of organisations that need to be engaged if we are to successfully address physical inactivity in Hertfordshire. These come from the public, private and voluntary sectors and it is important that any organisation that feels it can make a contribution to the wider outcomes, is given a voice. Effective engagement will require a tiered approach and our efforts will be concentrated on those partners with the greatest potential in terms of added value and influence. Our priorities for this are listed below and are detailed in the attached Stakeholder Engagement Plan:

Tier 1

- Local Authorities
- Public Health Hertfordshire/CCGs
- Voluntary and Community Sector

Tier 2

- Community Sports Networks
- University of Hertfordshire
- Miscellaneous – Leisure Operators, Coaching Agencies, Parks Managers etc

We will continue this work, by maintaining our role as a leader in the sport and physical activity sector, and undertaking an advocacy role, so that the importance of sport and physical activity as a cost effective vehicle for positive social change is recognised.

Our relationship with the Community and Voluntary Sector is already in a good place, but we will have to improve on the breadth of our relationships, working with non-traditional partners who already have a relationship with inactive people. There is certainly much work to be done, and a massive amount of learning to take on board and Hertfordshire's Community and Voluntary Sector will be able to assist us on this journey. As they do so, we must adapt and modify the way we operate to fit into their world so that, in the way of all good partnerships, there can be mutual benefit, with the end users as the ultimate winners.

In order to engage in effective dialogue with stake holders, HSP will implement a strategic planned and co-ordinated approach to marketing and communications to achieve its strategic objectives. Individual projects will have their own marketing plans and a comprehensive stakeholder engagement plan, will determine who we need to communicate with, how this is undertaken and how we will measure its success. We have only a limited resource, so the stakeholder engagement, networking and individual efforts of the core team and Board will be essential components of our marketing and communication plan, and we will need to ensure that this approach is firmly embedded in our organisational culture of operational practice.

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1 Introduction

The Herts Sports and Physical Activity Partnership is an award winning organisation that was established in 2003. We are one of the 44 County Sport Partnerships in England that were created as part of the long-term plan for delivering sport across the nation. Known as HSP, the Partnership is led by a Board of voluntary representatives and has a core team of full and part-time professionals all of whom are passionate about the work carried out by the Partnership. The HSP team works alongside numerous partners from the public, private and voluntary sectors, bringing together expertise, resources and ideas from all parts of the sports, health and physical activity arena in Hertfordshire and beyond.

HSP is integral to the local success of the government's community sports agenda. The organisation also plays a key role in health and well-being improvement through physical activity via strategic liaison with Hertfordshire County Council's Public Health team, as well as other key health stakeholders, such as the Hertfordshire's Clinical Commissioning Groups.

With a role as the strategic lead for the development of sport and physical activity within Hertfordshire, the work of HSP is fundamental to many services delivered across public, private and third sector. HSP is also a key advocate for, and a champion of sport and physical activity for investment and recognition across a broad range of social, health and economic outcomes.

The precise focus and direction of the work of the organisation is shaped by a strategy, developed in collaboration between the Board and core team. It is created and revised at least annually and drives the delivery of the core objectives, informing a delivery plan which details the work of the core staff team.

This framework describes how HSP operates, detailing remit, structure, and the roles and responsibilities of the host, Board, and staff.

2 Remit and structure

2.1 Background

Since the establishment in 2003 of HSP our vision has remained simple and constant

“Working together to encourage more people, to be more active, more often.”

The means of doing this and the focus of the initiatives used may vary from year to year or from one strategic period to the next, but our vision is unwavering. The objectives set out below for the Strategic Plan covering 2017-2021 show where our main focus will be concentrated to ensure we contribute to deliver this vision.

2.2 Objectives

Objective 1 – To increase participation in sport and physical activity

Objective 2 – To improve health and wellbeing by reducing inactivity

Objective 3 – To demonstrate the economic and social value of sport and physical activity

Objective 4 – To strengthen the local delivery infrastructure

Objective 5 – To make the Partnership fit for the future

The partner organisations include:-

Local Authorities (1/10/100+)

12 School Sports Partnerships

2 Universities & 4 FE Colleges

12 Community Sports Networks

18+ Leisure Facility Operators

60+ School Facility Operators

Public Health Hertfordshire

2 Clinical Commissioning Groups

46 National Governing Bodies

2500+ Sports Clubs

4 Professional Sports Clubs

23 Coaching Agencies

20,000 Coaches

Specialist Organisations

Community & Voluntary Sector

Volunteers

2.3 Legal status

HSP is itself unincorporated and is hosted by the University of Hertfordshire (UH) (“The Host”) who act on its behalf. The scope of this function is detailed in section 3.

2.4 Structure and governance

HSP maintains a close relationship with its host and partner organisations through both its structure and governance, with regular meetings and defined responsibilities for each body. The chart below shows the formal reporting lines for the HSP Board. The UH Sport and Physical Activity Advisory Board is a sub group of the UH Chief Executives Group. It is chaired by the Deputy Vice Chancellor of the University and has representation from a range of UH Strategic Business Units including: Director of Sport, HSP Partnership Director, and Chief Executive Officer of the Student’s Union.

3 The Host

As an unincorporated body HSP requires an accountable body to act on its behalf, known as the 'Host Authority'. This is the University of Hertfordshire

3.1 Host Authority Powers

As the accountable body, the Host Authority is empowered and authorised to:

- Apply for awards and accept grants in its own name, terms and conditions of any grant shall be binding on the Herts Sports Partnership;
- Repay the Grant if the terms and conditions of the grant are not met;
- Do all such things as are incidental to or may seem conducive to the implementation of programmes.

3.2 Host Authority Responsibilities

The Host Agency agrees to provide to the following support:

- Statutory and contractual responsibility as the direct employer of the Partnership Director and any additional staff employed through the Partnership as funded by the Partnership;
- Provision of human resources/personnel support for the recruitment of the core team
- Line management of the Partnership Director.
- Access to IT and provision of administrative support for the Director and Team (including telephones, photocopying and printing services).
- Access to Legal Services
- Provision of access to internal training for the Director and Team
- Provision of appropriate accommodation and office equipment for the Director and Team
- Compliance in accordance with the terms and conditions of the Award.
- Through the Director (or such other nominated individual approved by Sport England) the supervision of the progress, implementation and management of the Partnership.
- Maintenance of the Partnership Budget Codes and the undertaking to deposit therein all sums received from Sport England pursuant to the Award.
- To hold the Award on behalf of the Partnership and apply the Award towards the shared expenses incurred by the Partnership in implementing and managing the Partnership as agreed between the Core Funding Partners in writing from time to time.

3.3 HSP Obligations to the Host Authority

The HSP Board through the Director and staff team agree to:

- In relation to the creation or delivery of the aims and objectives of the Partnership comply with the terms and conditions of the Awards including (without prejudice to the generality of the foregoing):
- Establishing and maintaining such financial monitoring systems and provide such financial information and reports as may be required by Sport England and other funding agencies pursuant to the terms and conditions of the Award.
- Complying with the monitoring requirements of Sport England and other funding agencies
- Maintaining full and proper accounts and financial records regarding the implementation of the Partnership and providing access to such records to any representative or nominee authorised by the *Host Agency* and/or Sport England upon request.
- Maximising the promotion of the Partnership, Sport England's and other funding agencies contribution thereto.
- Applying any grant monies received from the *Host Agency* solely towards financing the costs of the Partnership.
- Not issuing any public release or holding any press conference regarding the Award and/or the Partnership without the prior consent of the *Host Agency* and Sport England.
- The production of periodic financial reports for the appropriate level management group.

4 Staff

HSP appoints a core staff team to provide leadership, facilitate the work of the partnership and manage its operations. All staff are employed by the accountable body. This includes a Director and Senior Leadership Team with overall responsibility for management and leadership of HSP and operational staff as required.

4.1 Director

The role of the Director is to implement strategies and policies as agreed with the Board, and to develop, nurture and deliver effective working relationships with key agencies and partners within the county, region and nationally as appropriate. The Director has responsibility for the overall organisation, management and staffing of HSP and for its procedures on financial and other matters, including conduct and discipline of staff. These will be carried out in accordance with the host agency's policies and procedures.

The Director is the accounting officer for the HSP and is responsible to the Board and the Host agency for the resources under his or her control. The essence of the role is a personal responsibility for the propriety and regularity of public finances for which he / she is answerable; for prudent and economical administration; for avoidance of waste and extravagance; and for the efficient and effective use of all resources under his or her charge.

His / her responsibilities include:

- a. Arranging for the appropriate induction and support of Board members, ensuring that when members take up office they are fully briefed on the terms of their appointment, duties and responsibilities
- b. Ensuring complete and accurate advice to the Board in order that it can undertake its functions.
- c. Formulating and recommending strategies to the Board for discussion and decision.
- d. Implementing Board decisions.
- e. Representing HSP to stakeholders and the general public.
- f. Requiring high standards of propriety of staff, and the efficient, effective and sustainable use of other resources throughout HSP.
- g. Approving the operating plan and budgets to implement the Board's strategic plan.
- h. Accounting for HSP's performance and expenditure.

4.2 Senior Leadership Team

The Senior Leadership Team will have an operational focus, and will be the driver for the implementation of the HSP strategy. This will include the development and delivery of sport and physical activity in Hertfordshire as agreed with the Board.

The Senior Leadership Team will have a wide brief but will include:

- Supporting the development and delivery of the HSP Delivery Plan

- Supporting the co-ordination of the development and delivery of sport and physical activity interventions and projects
- Being a key medium for exchange of views and information amongst the partner organisations on specific projects

The Board

4.3 Role and remit

The Board of HSP exists to:

1. Drive the strategy and direction of HSP
2. Actively promote and further its work through building partnerships
3. Have oversight of the work of the Executive, providing input and challenge

4.3.1 Strategy and direction

The Board will provide clear direction for HSP's work in line with its objectives, supporting the creation and execution of strategy. Whilst the Board will take the strategic lead and drive the development of sport, day-to-day management of HSP is not a Board function. Authority is delegated for achieving the strategic outcomes, together with the necessary authority to make decisions in a specified range of activities.

4.3.2 Promote and further work through partnerships

The Board should advocate the benefits of sport and physical activity as well as that specifically carried out by HSP, both regionally and nationally. They will also play a part in for recognising and celebrating successes. A key part of a Board member's role is to draw on their own networks and contacts to secure resources for the work of the HSP, opening doors for sport and for HSP to attract new partners. They will work with the Executive to ensuring partner commitment and satisfaction and encourage collaboration.

4.3.3 Oversight, input and challenge

The Board monitors the effective delivery of the Partnership's objectives and the achievement of key targets and outcomes. It is the Board's responsibility to ensure that these aspects are maintained and improved to the satisfaction of the partners and funders through transparent and planned processes. It is their responsibility to ensure that good governance is carried out across the organisation. They are accountable for the actions of HSP, including finance and risk in line with the hosting agreement.

4.4 Attributes of the Board and its membership

- The Board will consist of 12 members; 8 independent and 4 ex-officio
(Definition: An Independent board member is a member of the board who does not have a material or pecuniary relationship with company or related persons)
- All members will sit on the Board for an initial period of four years and be eligible for re-appointment, but for no more than 2 terms;
- There will need to be a four year elapse prior to re-appointment
- The Chair is appointed for a term of four years for no more than two consecutive terms;
- The Board can appoint any number or type of sub groups to advise it, or carry out any of its functions.
- Members may choose to resign from office at any time by formally writing to the Chair;

- Board members are expected to act with the best interest of HSP (not their respective organisation). Members should be willing to leave 'organisational hats' at the door;
- Members should uphold the Safeguarding Policies of HSP
Members should uphold the Policies and Procedures of the host organisation
- Members will be dedicated and focused on carrying out the three key roles of the Board;
- Board Members will be selected through open recruitment with a selection process, based on a skills and knowledge matrix, to ensure that the Board as a whole is qualified to advise on and govern the diverse work of HSP. This skills and knowledge matrix will include skills, expertise and influence from across the community, business, education and sports sectors;
- The board will take all appropriate actions to encourage a minimum of 30% of each gender on its board
- The board is committed to achieving greater diversity generally on its Board, including, but not limited to, Black, Asian, minority ethnic (BAME) diversity and disability.
- Ex-officio members will be recruited to the Board, representing Public Health, the Host Authority (UH), Herts Association of Cultural Officers (HACO) and the Director of HSP
 - o Ex-officio members of the Board will have the same voting rights as Independent members, but should refrain from voting when they or their represented organisation declares a potential conflict of interest
 - o They will remain appointed to the Board as long as they continue to hold that office, at which time a replacement will be nominated by their respective organisation
- Positions are non-executive and not salaried, however expenses can be claimed where appropriate;
- Members should have a personal commitment to the aims of HSP, and therefore a belief in the value of sport and physical activity, and the merit of sports and sporting infrastructures working together;
- Members will be influential, experienced individuals who have links and contacts throughout Hertfordshire;
- Members must be able and willing to provide the required commitment to the role, attending at least 3 out of 4 Board meetings each year, with other events optional; and
- Members will live or work in Hertfordshire, or have a key role with an organisation based in the county.
- For a Board meeting to be quorate, four independent Board members are required to be in attendance

As a stakeholder organisation, Membership will reflect the make-up of HSP's work, wherever possible ensuring a geographic representation as well as seeking diversity in its membership e.g. in terms of age, ethnic background, social class and life experiences, gender and disability.

4.5 Recruitment

Board members will be recruited by a nomination committee in an open way, both to reflect the need to involve key strategic partners, and in line with equal opportunity procedures within the host authority bringing necessary skills, expertise and networks.

A nomination committee shall be formed (either on a permanent or ad hoc basis) the majority of the members of the nomination committee shall be independent members of the Board and it shall be chaired by the Chair (except when dealing with the appointment of a successor to the Chair, when it shall be chaired by an independent Board member.

4.6 Member responsibilities and conduct

4.6.1 Responsibilities

1. **Duty of care:** Board members are expected to act reasonably and prudently in all matters relating to HSP and in its long term interest.
2. **Duty to protect the organisation's resources:** Board members have a duty to protect all the resources belonging to HSP, for instance by ensuring that there are adequate financial controls, corporate governance and risk assessments. Board members also have a duty to protect the organisation's reputation and its intellectual property such as branding and databases.
3. **Duty to act in the best interests of the public:** Their first duty as a Board member is to the public, which means they must act in the best interests of the public as a whole. Inevitably, Board Members have a wide range of interests in private, public and professional life, and those interests might, on occasion, conflict. They have a general responsibility to avoid such conflicts of interest, especially where they involve financial transactions.
4. **Duty to act collectively:** Board Members are responsible for the activities of the board and must act together. No board member acting alone can bind his or her fellow board members, unless specifically authorised to do so.
5. **In the interest of integrity of and transparency:** No individual shall be appointed as a Board member until he or she has provided the organisation with a declaration of good character.
6. Members will also be required to complete a declaration of interests.

4.6.2 Conduct

The following principles of public life were set out by the Committee on Standards in Public Life (the Nolan Committee) for the benefit of all who serve the public.

1. **Selflessness:** Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.
2. **Integrity:** Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.
3. **Objectivity:** In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.
4. **Accountability:** Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
5. **Openness:** Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

6. **Honesty:** Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
7. **Leadership:** Holders of public office should promote and support these principles by leadership and example.

4.7 The Chair and Vice-Chair

4.7.1 The Chair

The Chair is responsible for leadership of the Board, ensuring its effectiveness on all aspects of its role and for setting its agenda. The Chair is pivotal in creating the conditions for overall Board and individual Board member effectiveness and works to ensure the development of constructive relationships between Board members and the core team. In particular, the Chair has prime responsibility for:

1. Leading and developing the overall strategic direction of the Board
2. Ensuring that the Board, in reaching decisions, takes proper account of guidance and process given to them
3. Ensuring that the Board meets at regular intervals throughout the year; and that minutes of meetings accurately record both the Board's decisions and, where appropriate, the views of individual Board members
4. Ensuring that the Board and its members operate in accordance with the code of conduct
5. Working with the Director to establish and realise the membership needs of the Board.
6. Appraising the performance of members and keeping under review the effectiveness of the Board

4.7.2 Vice chair

The nomination and selection of Vice-Chair is at the discretion of the Board Members. The Vice Chair's role at HSP will be limited to:

1. Deputise for the Chair, whereby they will take on the responsibilities of the Chair for that period
2. Be a point of contact for any Members who have concerns regarding the Chair. If required, this may be extended to carrying out a review of the Chair.
3. Be appointed as the Senior Independent Member.

4.7.3 Senior Independent Board Member

A nominated Board member who is appointed as such by the Board, and whose responsibilities include:

1. Providing a sounding board for the chair;
2. Acting as an intermediary for the other Board members when necessary;

3. Acting as an alternative contact for stakeholders to share any concern if the normal channels of the Chair or the organisation's management fail to resolve the matter of in cases where such contact is inappropriate; and
4. Leading on the process to appraise the Chair's performance

4.8 Appendix 1.

Nomination Committee - Terms of Reference

Role of the Board

1. The Nomination Committee (the Committee) is a Committee of the HSP Main Board.
2. The Committee has been established to support the Board in their responsibilities for issues of recruitment and selection of the board members to meet the agreed board membership as set out in the Governance Framework
3. The Committee is authorised by the Board to seek any information it requires from any employee of HSP in order to perform its duties.

1. Membership

1.1 The committee shall comprise at least three Board members. A majority of the members of the committee shall be independent members.

1.2 Only members of the committee have the right to attend committee meetings. However, other individuals such as the Director and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.

1.3 Appointments to the committee are made by the Board and shall be for a period of up to four years, which may be extended for further periods of up to four-years. Provided the Board member still meets the criteria for membership of the Board.

1.4 The Board shall appoint the Committee Chairman who should be either the Chairman of the Board or an independent member. In the absence of the Committee Chairman and/or an appointed Deputy, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. The Chairman of the Board shall not chair the committee when it is dealing with the matter of succession to the chairmanship.

2. Responsibilities

The committee will be responsible for:

- 2.1 An annual review of the skills and knowledge matrix of the Board
- 2.2 The appointment of board members.

3. Secretary

A nominated member of the HSP Senior Leadership Team shall act as the secretary of the committee.

4. Quorum

The quorum necessary for the transaction of business shall be two committee members, both of whom must be independent members although the Chair of the Board should not Chair the nomination committee when it is dealing with the appointment of a successor Chair.

4.9 Appendix 2.

Audit, Risk and Governance Committee terms of reference

Introduction

1. The Audit, Risk and Governance Committee (the Committee) is a Committee of the HSP Main Board.
2. The Committee has been established to support the Board in their responsibilities for issues of Risk, Control and Governance by reviewing the comprehensiveness of assurances in meeting the Board's assurance needs and reviewing the reliability and integrity of these assurances.
3. The Committee is authorised by the Board to seek any information it requires from any employee of HSP in order to perform its duties.

Membership

4. The Committee should consist of up to five members. Three of which should be Independent.
5. The Committee will be chaired by a nominated Independent Board member. In the absence of the Chair, the Committee may nominate another Independent Board Member to deputise in his/her absence.
6. The secretariat function will be provided by a nominated member of the HSP Senior Leadership Team

Reporting

7. Where reasonably possible, minutes of each Committee Meeting will be tabled to the subsequent Main Board meeting and, where necessary, the Chair of the Committee will provide a report to the Main Board on any substantive matters of importance and any material issues or concerns.
8. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
9. The Committee will provide the Board with an Annual Report, timed to support finalisation of the accounts and the Governance Statement, summarising its conclusions from the work it has done during the year.

Responsibilities

The Committee will advise the Board on:

10. The strategic processes for Risk, Control and Governance and the Governance Statement;
11. The accounting policies, the accounts, and the Annual Report of the organisation, including the process for review of the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors;
12. The planned activity and results of both internal and external audit;
13. The adequacy of management response to issues identified by audit activity, including external audit's management letter;
14. Assurances relating to the corporate Governance requirements for the organisation;
15. Proposals for tendering for either Internal Audit services or for purchase of non-audit services from contractors who provide audit services;
16. Anti-fraud policies, whistle-blowing processes, and arrangements for special investigations;
17. The Committee will also periodically review its own effectiveness and report the results of that review to the Board.

Rights

The Committee may:

18. Co-opt additional Members for a period not exceeding a year to provide specialist skills, knowledge and experience;
19. Appoint independent non-Board members for a period of three years, which may be extended for further periods (normally up to three years), subject to the approval of the Main Board;
20. Procure specialist ad-hoc advice at the expense of the organisation, subject to budgets agreed by

Meetings

21. The Committee will meet at least four times a year. The Chair of the Committee may convene additional meetings as they deem necessary.
22. The Committee meetings will normally be attended by the Director, the outsourced Internal Audit supplier and a representative of External Audit.
23. The Committee may ask any other officials of the organisation to attend to assist it with its discussions on any particular matter.
24. The Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters;
25. The Board or the Accounting Officer may ask the Committee to convene further meetings to discuss particular issues on which they want the Committee's advice.
26. Meeting papers will be circulated no later than five (5) working days ahead of each meeting.

Quorum

27. A minimum of three members of the Committee, plus the Director must be present for the meeting to be deemed quorate. Two members must be non-Executive members of the HSP Main Board.

Resolutions and voting

28. Decisions of the Committee shall be taken by resolution and recorded in the minutes of the meeting at which such a resolution is passed.
29. Where a consensus cannot be agreed, the Chair may request a vote on a show of hands, in which case each Committee Member shall have one vote.

Terms of reference and committee effectiveness

30. The Committee's terms of reference and effectiveness will be reviewed at least annually by the Board and the Committee, including a review of membership and relevant skills and any changes considered necessary must be approved by the Board.