

**Performance and Investment
Committee
Terms of Reference**

July 2019

1. Purpose

1.1 To act as the operational arm of the Dorset LEP Board on the delivery of the growth agenda, ensuring that all contracted programmes and projects are delivering as expected and integrated where appropriate.

- Investing National, and local growth related funds to maximum effect.
- Ensuring delivery is in line with strategic priorities and as profiled in delivery agreements.
- Ensuring emerging risks are mitigated or referred to the Dorset LEP Board for resolution.

2. Roles and Responsibilities

2.0 The Performance and Investment Committee will:

Assess Investment Opportunities

- 2.1 Scrutinise and ensure effective implementation of the Dorset LEP's investment programme, ensuring that funded projects retain strong strategic alignment through the delivery phase.
- 2.2 Broadly to monitor all existing delivery (this includes all stages of the assurance framework)
- 2.3 Oversee the delivery function of the LEP ensuring all investments are delivered in line with appropriate regulations and propriety requirements.

Performance Manage

- 2.4 Provide strategic management oversight and assurance of all LEP funded programmes And projects to ensure that these comply with all regulatory, statutory and financial requirements; and deliver to outcome and financial targets in line with the Programme Management Framework and evaluation strategies.
- 2.5 Develop and maintain appropriate robust monitoring and reporting mechanisms to ensure that individual programmes of activities and projects deliver on all expected outcomes; and that clear contract management and monitoring arrangements are in place for each project.
- 2.6 Ensure that under-performing projects are identified and effective mitigation measures are identified and actioned, where possible, to restore performance. Where projects can no longer deliver against agreed targets, the committee can recommend to the LEP Board that these projects are withdrawn from the relevant programme and steps to recover investment are instigated.

Oversee Delivery

- 2.7 Ensure that all delivery teams have clear leadership arrangements, a tasking framework and expected outcomes, and are fully equipped to support the LEP's governance arrangements.
- 2.8 Ensure that resourcing requirements are clearly identified for each delivery priority and that this is subject to regular and ongoing monitoring and review to ensure that this remains in line with evolving business priorities.
- 2.9 Provide appropriate challenge and support to the LEP team to ensure that they are focused on the issues most critical to delivery.

Identify and Mitigate Risk

- 2.10 Contribute to the development of the LEP's risk strategy and review and update this at each meeting, providing feedback to the LEP Board as necessary.
- 2.11 Ensure that programme level risks are being properly managed and that mitigation strategies are in place to address these or that these are escalated to the LEP Board.

Evaluation

- 2.12 Ensure that programmes and projects are periodically evaluated to give assurance that objectives and targets are still relevant and achievable.
- 2.15 To receive monitoring and evaluation reports on completed projects and programmes to highlight key successes and failures and to share best practice.

Record Decisions

- 2.16 Ensure effective records of minutes, decisions and actions are recorded and maintained for the purposes of a clear audit trail.

3. Conflicts of Interest

- 3.1 Where a member of a committee has a personal or professional interest in an agenda item they are asked to declare that interest at the start of the meeting. The person can remain in the meeting while the item is discussed but they are only allowed to answer direct questions about that item and should refrain from promoting the item in any way. In this way it is hoped that the committee can benefit from that members knowledge without being unduly influenced by the interest.
- 3.2 All business of the Committee will be conducted in accordance with the Nolan Principles of Public Life (see Appendix 3) and with regard to the Company Directors Responsibilities (see Appendix 2).

4. Membership

- 4.1 The Members of the committee are: 6 LEP Board Members plus the Executive Director.
 - Chair – appointed from the LEP Board membership (business sector)
 - Deputy Chair – appointed from the wider LEP membership
 - A Board appointment from the Dorset Chamber.
 - A Board appointment from Higher Education sector.
 - A Board appointment from Dorset Council.
 - A Board appointment from Bournemouth, Christchurch & Poole Council,
 - The Executive Director of the Dorset LEP or responsible executive officer.
- 4.2 For the meeting to be quorate there needs to be a minimum of three members present, of which at least one should be a LEP board member.
- 4.3 The Group will invite LEP and Local Authority lead officers and other delivery partners to support its work programme, as and when necessary.

5. ACCOUNTABILITY

5.1 The Committee will be accountable to the LEP Board.

6. MEETINGS

6.1 Meetings will take place on at least a quarterly basis.

6.2 The agenda and papers for meetings shall be approved by the Chair and issued at least 5 working days in advance of the meeting by the LEP team.

6.3 Meeting minutes shall be approved in draft form by the Chair and disseminated to members no later than ten working days following the meeting. Minutes shall remain in draft until approval by the Committee at the next meeting

6.4 Minutes will be made publicly available on the Dorset LEP website.

6.5 Minutes will be redacted were they contain personal information about individuals or commercially sensitive data or for good legal reason.

7. Decisions

7.1 The Committee shall operate on the basis of consensus.

7.2 In the event that a consensus cannot be achieved on a matter requiring decision, that decision shall be taken by vote and carried if it is supported by over 50% of those present.

7.3 In the event of a tied decision, the Chair of the meeting will cast the deciding vote.

7.4 There should be a quorum of three members, and there must always be a majority of business sector members for a meeting to be quorate.

7.5 If a decision needs to be made outside of the meeting, decision can be sought via Written Procedure (Appendix 1). In such cases, the Secretariat shall write to each Committee member requesting agreement to a specified course of action. Committee members shall be given no fewer than five working days to respond to the Secretariat.

7.6 For a decision to be taken by Written Procedure, the number of members participating and the composition of those members must be as required for a quorate meeting. Over 50% of members responding to the request must indicate agreement to the proposal.

7.7 All decisions made by Written Procedure shall be ratified at the next scheduled meeting.

8. Delegation

8.1 Performance and Investment Group will have the following delegated powers regarding decision making over changes to projects within the programme:

Scope: agree changes to a scheme that achieve the original purpose (may arise from 'value for money' assessment or re-engineering a scheme).

Time: agree phasing or completion by 2 quarters movements.

Budget: agree a 10% change of project value.

Re-profile: agree a 5% of project cost, across a financial year.

8.2 Any decision outside of the defined range should be in the form of a recommendation to the Dorset LEP Board.

9. **Review**

- 9.1 The Committee shall arrange for periodic reviews of its own performance and review its terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the LEP board for approval.

Appendix 1

Written Procedure

- A copy of the written resolution must be sent to every member of the committee together with a statement informing the member how to signify their agreement to the resolution and the date by which the resolution must be passed if it is not to lapse.
- A member of the committee signifies their agreement to a proposed written resolution when the Company receives from him or her an authenticated Document identifying the resolution to which it relates and indicating his or her agreement to the resolution.
- If the Document is sent to the Company in Hard Copy Form, it is authenticated if it bears the member's signature.
- If the Document is sent to the Company by Electronic Means, it is authenticated if it bears the member's signature or if it is from an email Address notified by the member to the committee for the purposes of receiving Documents or information by Electronic Means.
- A written resolution is passed when the required majority of eligible members have signified their agreement to it.
- A proposed written resolution lapses if it is not passed within 28 days beginning with the circulation date.

Appendix 2

7 Legal Duties of a Company Director *(applies to those members of the committee who are also LEP Board Members)*

Extract from <https://companieshouse.blog.gov.uk/2019/02/21/7-duties-of-a-company-director/>

Duty to act within powers

A director of a company must—

- (a) act in accordance with the company's constitution, and
- (b) only exercise powers for the purposes for which they are conferred.

Duty to promote the success of the company

A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company.

Duty to exercise independent judgment

Duty to exercise reasonable care, skill and diligence

Duty to avoid conflicts of interest

Duty not to accept benefits from third parties

Duty to declare interest in proposed transaction or arrangement

(1) If a director of a company is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the company, he must declare the nature and extent of that interest to the other directors.

Appendix 3

Nolan Principles of Public Life

Selflessness

Holders of public office should act solely in terms of the public interest.

Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

Honesty

Holders of public office should be truthful.

Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.