

APPENDIX 4

Terms of Reference

PART 1 - INTRODUCTION

General

1. The membership, role and Terms of Reference of the LDA Board are set out in Appendix 4 Part 2 below and also in the body of the Standing Orders. The LDA also has a number of Subordinate Bodies and the Terms of Reference of those Subordinate Bodies are set out in Appendix 4 Parts 3, 4 and 5 below.

Standing Committees

2. The LDA has the following standing committees which are Subordinate Bodies:
 - (a) Audit Risk and Performance Committee;
 - (b) Investment Committee; and
 - (c) Human Resources and Remuneration Committee.

Terms of Reference

3. The Terms of Reference for each of the Subordinate Bodies specified in paragraph 2 above are detailed below. Membership will vary from time to time but all appointments are made in accordance with the Terms of Reference specified.

PART 2 – LDA BOARD

Introduction

1. The LDA Board is established under the RDA Act 1998.

Matters reserved to the Board

2. The following matters are, by the decision of the LDA Board, reserved to the LDA Board:
 - a. Set strategic direction and priorities for the LDA in consultation with the Mayor including approval and revision of the Mayor's Economic Development Strategy;
 - b. Agreement of the LDA's annual budget, Investment Strategy and Business Plan;
 - c. Approval of the annual report and accounts of the LDA;
 - d. Approval of all other corporate policies, strategies and plans of the LDA ;
 - e. Approval and review of the LDA's governance framework and consideration of the annual governance statement including adoption of and effecting variations to the Standing Orders, Financial Regulations and Procurement Code;
 - f. Approval of the promotion of, or opposition to, Bills in Parliament;
 - g. Submission of formal comments on behalf of the LDA to government departments where the matter is strategic or fundamental to the LDA's interests. However, if the Chief Executive reasonably considers it impractical for the LDA Board to do so in the circumstances, such circumstances including but not limited to urgency, the Chief Executive may submit such comments (subject to the reporting and consulting obligations set out at the end of this paragraph 2);
 - h. Consideration of matters in relation to which the formal consent of the Mayor is required by legislation. However, if the Chief Executive reasonably considers it impractical for the LDA Board to do so in the circumstances, such circumstances including but not limited to urgency, the Chief Executive may consider such matters (subject to the reporting and consulting obligations set out at the end of this paragraph 2). A list of these matters is at Appendix 1 to the Standing Orders;
 - i. Consideration of matters upon which the formal consent of a government department is required. However, if the Chief Executive reasonably considers it impractical for the LDA Board to do so in the circumstances, such circumstances including but not limited to urgency, the Chief Executive may consider such matters (subject to the reporting and consulting obligations set out at the end of this paragraph 2). A list of these matters is at Appendix 2 to the Standing Orders;

- j. Agreement to the delegation of functions by Ministers pursuant to section 6 of the RDA Act 1998. However, if the Chief Executive reasonably considers it impractical for the LDA Board to do so in the circumstances, such circumstances including but not limited to urgency, the Chief Executive may agree to such delegation (subject to the reporting and consulting obligations set out at the end of this paragraph 2);
- k. Formal responses by the LDA to Mayoral strategies. However, if the Chief Executive reasonably considers it impractical to do so under the circumstances, such circumstances including but not limited to urgency, the Chief Executive may issue such formal responses (subject to the reporting and consulting obligations set out at the end of this paragraph 2);
- l. Approval of expenditure in accordance with the LDA Board's financial delegations;
- m. Endorsement of expenditure, subject to any required approvals, when a project is novel, contentious or repercussive. However, once a project is so endorsed, the Chief Executive is responsible for submitting an application for approval of this expenditure to the Secretary of State and the Treasury, via the Government Office;
- n. Monitoring of the LDA's strategic performance, including review of the corporate risk register;
- o. Consideration of an annual governance report from the Audit, Risk and Performance Committee;
- p. Appointment of the Chief Executive of the LDA (subject to the Mayor's consent);
- q. Making substantial changes to the organisation of the LDA;
- r. Establishing and keeping under review a policy for Best Value;
- s. Establishing and keeping under review a policy on Equal Opportunities and Diversity;
- t. Ensuring effective health and safety policies and procedures are established, maintained and monitored, and ensuring appropriate responses to any health and safety incidents on LDA premises, property, sites and projects;
- u. Establishing Subordinate Bodies and their Terms of Reference;
- v. Making of LDA Board Member appointments to outside bodies; and
- w. Any other matters reserved to the LDA Board by law.

The Chief Executive must consult with the Secretary and the Chair, or, in the Chair's absence, the Deputy Chair, prior to exercising the discretion granted to the Chief Executive under paragraphs 2(g) to (k) inclusive and must report any exercise of such discretion to the LDA Board as soon as reasonably practicable and in any event at the next LDA Board meeting.

Conduct of Business

3. The business of the LDA Board shall be conducted in accordance with the provisions of Standing Order 2.

Authority

4. Section 4 of the RDA Act 1998 defines the statutory purposes of the LDA and Section 5 of the RDA Act 1998 states that the LDA may do anything which it considers expedient for its purposes or for purposes incidental thereto.

Terms of Appointment

5. Membership of the LDA Board shall consist of not less than 8 and not more than 15 Members appointed by the Mayor under Section 2 of the RDA Act 1998. The Mayor shall designate one of the members as the Chair and may designate another of the members as Deputy Chair.

Attendance at Meetings

6. Whilst membership is restricted to LDA Board Members, the LDA Board may from time to time invite such persons as it considers appropriate to act as LDA Board Observers to attend meetings with the right to speak, but not to vote. The roles of the Named Observers and Nominated Observers are laid out in Standing Order 1. LDA Board Members shall attend all LDA Board meetings.
7. The Chief Executive, Chief Finance Officer and the Secretary shall attend LDA Board meetings. Other members of the GMT and Officers shall attend for the whole or any specific part of the LDA Board meeting at the invitation of the Chair.
8. Group Directors must approve all reports prior to submission to the LDA Board and be in attendance to present their report/s.
9. The Chair may invite external organisations or individuals to attend for the whole or any specific part of LDA Board meetings.
10. Members of the public are invited to attend the public part (Part 1) of all LDA Board meetings. Members of the public can obtain copies of all Part 1 papers via the LDA's website, but have no right to speak or participate in the meeting.
11. Members of the LDA Governance team will attend to provide secretarial and logistical support, take the minutes of the meeting and advise on procedural matters. The Secretary or a person nominated by the Secretary will also attend as necessary to provide advice on any legal issues that may arise.
12. Whilst membership is restricted to LDA Board Members, the capacity is retained to invite outside specialist input from time to time, where appropriate, on a specific project, topic or initiative.
13. The Chief Executive will provide senior executive support as Lead Officer and will attend meetings. Other Group Directors/ Directors and Officers will attend meetings as appropriate.

Lead Officer

14. The lead officer will be the Chief Executive unless otherwise specified by the LDA Board. A Nominated Group Director must be appointed in accordance with the Scheme of Delegation to deputise in the absence of the Chief Executive.

Reporting Procedures

15. Recommendations to the LDA Board shall be by way of a report to the relevant LDA Board meeting, which shall make it clear in the recommendations section that the matter has been discussed and recommended to the LDA Board by the Committee. Agenda, reports and minutes of the Committee will be made available upon request to all LDA Board Members for their information.

Frequency of Meetings

16. Ordinary Meetings of the LDA Board shall be convened by the Secretary either on a regular cycle of six meetings each calendar year and so far as reasonably practicable evenly spaced or as otherwise agreed by the LDA Board from time to time but in any case so there shall be no fewer than five meetings each calendar year and that a period of no more than thirteen weeks shall elapse between one meeting and the next.
17. A Special Meeting of the LDA Board may be called at any time by the Secretary with the agreement of the Chief Executive and the Chair, or in either of their absences the Deputy Chief Executive and the Deputy Chair (respectively).
18. A Special Meeting of the LDA Board shall also be called by the Secretary within ten days following the receipt by the Secretary of a written requisition, signed by a minimum of any five LDA Board Members.

PART 3 - AUDIT RISK AND PERFORMANCE COMMITTEE

Introduction

1. The Audit, Risk and Performance Committee will be a Committee of the LDA Board.

Terms of Reference

2. The Terms of Reference of the Audit Risk and Performance Committee shall be as follows:
 - a. Agreement of a risk strategy and the compilation of a corporate risk register;
 - b. Agreement of an assurance strategy and an annual assurance plan;
 - c. Monitoring the delivery of the annual assurance plan;
 - d. Reviewing the findings of assurance reports and the implementation of recommendations;
 - e. Consideration of evaluation reports for all programmes and projects over £1m in value;
 - f. Monitoring the LDA's performance including the delivery of risk strategy and the management of risk;
 - g. Monitoring the delivery of the LDA's governance framework and the consideration of any breaches or irregularities;
 - h. Receiving the external auditor's annual plan and considering the reports of the external auditor;
 - i. Consideration of the LDA's draft and final financial statements and the conclusions of the external audit of the financial statements; and
 - j. Preparation of an annual governance report to the LDA Board.

Conduct of Business

3. The provisions of Standing Order 2 shall apply to the Committee as if the name of the Committee were substituted for that of the LDA Board with any necessary modification required for the effective conduct of the Committee's business.

Authority

4. The Committee is authorised by the LDA Board to investigate any activity within its Terms of Reference and to seek information it reasonably requires from any employee in order to facilitate the proper conduct of its business. All employees are directed to co-operate with any such request.

Terms of Appointment

5. No more than nine members, and no less than five, including the Chair of the Committee, shall be appointed annually.
6. The Chair of the LDA Board shall be an ex officio member of the Committee.

Attendance at Meetings

7. The Chair of the LDA Board has the right to attend any Committee meeting. Other LDA Board Members, who are not members of the Committee, may at the invitation or with the consent of the Chair of the Committee attend a Committee meeting.
8. Whilst membership is restricted to LDA Board Members, the capacity is retained to invite outside specialist input from time to time, where appropriate, on a specific project, topic or initiative.
9. The Chief Finance Officer will attend meetings and provide senior executive support to the Lead Officer in discharging their role. Other Group Directors/Directors and Officers will attend meetings as appropriate or upon the request of the Committee to facilitate discussion of any given matter. The Chief Executive will attend meetings as necessary.
10. Group Directors must approve all reports prior to submission to the Committee and be in attendance to present their report/s.
11. A member of the Governance team will attend to provide secretarial and logistical support, take the minutes of the meeting and provide advice on governance and procedural matters. The Secretary or a person nominated by the Secretary will also attend as necessary to provide advice on any legal issues that may arise.
12. A representative of both the Internal and External Auditors of the LDA shall have a standing invitation to attend and advise at all meetings of the Committee. In addition they shall have confidential access to the Chair of the Committee.

Lead Officer

13. The lead officer will be the ~~Director of Corporate Finance~~ **Director of Finance and Performance (or equivalent post)** unless otherwise specified by the LDA Board. A Nominated Director must be appointed in accordance with the Scheme of Delegation to deputise in the absence of the Group Director.

Reporting Procedures

14. Recommendations to the LDA Board shall be by way of a report to the relevant LDA Board meeting, which shall make it clear in the recommendations section that the matter has been discussed and recommended to the LDA Board by the Committee. Agenda, reports and minutes of the Committee will be made available upon request to all LDA Board Members for their information.

Frequency of Meetings

15. Meetings shall be held monthly or at such other intervals as the Committee may agree. However, if the Chair of the Committee decides that a meeting is not

necessary, that person may decide to cancel the meeting. The Chair may also call additional Committee meetings or informal meetings / workshops as required.

PART 4 - INVESTMENT COMMITTEE

General

1. The Investment Committee will be a Committee of the LDA Board.

Terms of Reference

2. The Terms of Reference of the Investment Committee shall be as follows:
 - a. Strategic development of programmes and projects developed in accordance with the LDA Board's direction on priorities;
 - b. Approval and review of a commissioning strategy for the LDA;
 - c. Business Case approval for all programmes and projects over £1m in value; and
 - d. Approval of all third party finance arrangements not delegated to Executive Staff.

Conduct of Business

3. The provisions of Standing Order 2 shall apply to the Committee as if the name of the Committee were substituted for that of the LDA Board with any necessary modification required for the effective conduct of the Committee's business.

Authority

4. The Committee is authorised by the LDA Board to investigate any activity within its Terms of Reference and to seek information it reasonably requires from any employee in order to facilitate the proper conduct of its business. All employees are directed to co-operate with any such request.

Terms of Appointment

5. No more than nine members, and no less than five, including the Chair of the Committee, shall be appointed annually. The Chair of the LDA Board shall be an ex officio member of the Committee.

Attendance at Meetings

6. The Chair of the LDA Board has the right to attend any Committee meeting. Other LDA Board Members, who are not members of the Committee, may at the invitation or with the consent of the Chair attend a Committee meeting.
7. Whilst membership is restricted to LDA Board Members, the capacity is retained to invite outside specialist input from time to time, where appropriate, on a specific project, topic or initiative.
8. The Chief Finance Officer will attend meetings and provide senior executive support to the Lead Officer in discharging their role. Other Group Directors/ Directors and Officers will attend meetings as appropriate or upon the request of

the Committee to facilitate discussion of any given matter. The Chief Executive will attend meetings as necessary.

9. Group Directors must approve all reports prior to submission to the Committee and be in attendance to present their report/s.
10. A member of the Governance team will attend to provide secretarial and logistical support, take minutes of the meeting and provide advice on governance and procedural matters. The Secretary or a person nominated by the Secretary will also attend as necessary to provide advice on any legal issues that may arise.

Lead Officer

11. The Lead Officer shall be the ~~Group Director, Strategy, Resources and Performance~~ Group Director, Resources and Performance (or the Group Director responsible for such matters) and a Nominated Director shall deputise in absence of Group Director in accordance with the Scheme of Delegation.

Reporting Procedures

12. Recommendations to the LDA Board shall be by way of a report to the relevant LDA Board meeting, which shall make it clear in the recommendations section that the matter has been discussed and recommended to the LDA Board by the Committee.
13. The Investment Committee shall, on an annual basis, present a report to the LDA Board outlining the key activities of the Committee during the year, highlighting key issues and any concerns. The report will assess the effectiveness of the Committee in discharging its terms of reference and identify areas where it can be strengthened.
14. Agenda, reports and minutes of the Committee will be made available upon request to all LDA Board Members for their information.

Frequency of Meetings

15. Meetings shall be held monthly or at such other intervals as the Committee may agree. However, if the Chair of the Committee decides that a meeting is not necessary, that person may decide to cancel the meeting. The Chair may also call additional Committee meetings or informal meetings / workshops as required.

PART 5 - HUMAN RESOURCES AND REMUNERATION COMMITTEE

General

1. The Human Resources and Remuneration Committee will be a Committee of the LDA Board.

Terms of Reference

2. The Terms of Reference of the Human Resources and Remuneration Committee shall be as follows:
 - a. Consideration of material changes to the LDA's organisational structure;
 - b. Approval and review of all human resources policies and strategies including a performance and remuneration policy;
 - c. Annual review of salaries and market comparators;
 - d. Approval of the annual performance objectives of the Chief Executive and the Group Management Team;
 - e. Consideration of the annual performance of the Chief Executive and the Group Management Team including the award of annual increments or bonus; and
 - f. Consideration of human resources monitoring information.

Conduct of Business

3. The provisions of Standing Order 2 shall apply to the Committee as if the name of the Committee were substituted for that of the LDA Board with any necessary modification required for the effective conduct of the Committee's business.

Authority

4. The Committee is authorised by the LDA Board to investigate any activity within its Terms of Reference and to seek information it reasonably requires from any employee in order to facilitate the proper conduct of its business. All employees are directed to co-operate with any such request. The Committee has decision making powers delegated to it by the LDA Board in respect of the human resources issues specified above.
5. The Chair and Deputy Chair of the LDA Board and the Chairs of all LDA Board Committees shall be appointed for the term of the Committee.

Terms of Appointment

6. No more than nine members, and no less than five, including the Chair of the Committee, shall be appointed annually.

Attendance at Meetings

7. LDA Board Members, who are not members of the Committee, may at the invitation or with the consent of the Chair attend a Committee meeting.

8. Whilst membership is restricted to LDA Board Members, the capacity is retained to invite outside specialist input from time to time, where appropriate, on a specific project, topic or initiative.
9. The Chief Executive will attend meetings and provide senior executive support to the Lead Officer in discharging their role. Other Group Directors/ Directors and Officers will attend meetings as appropriate or upon the request of the Committee to facilitate discussion of any given matter. The Chief Executive will attend meetings as necessary.
10. Group Directors must approve all reports prior to submission to the Committee and be in attendance to present their report/s.
11. A member of the Governance team will attend to provide secretarial and logistical support, take the minutes of the meeting and provide advice on governance and procedural matters. The Secretary or a person nominated by the Secretary will also attend as necessary to provide advice on any legal issues that may arise.

Lead Officer

12. The Lead Officer shall be the ~~Group Director Jobs Skills and Youth / Deputy Chief Executive~~ **Group Director responsible for Human Resources matters** and a Nominated Group Director / Director shall deputise in the absence of the Lead Officer in accordance with the Scheme of Delegation.

Reporting Procedures

13. Recommendations to the LDA Board shall be by way of a report to the relevant LDA Board meeting which shall make it clear in the recommendations section that the matter has been discussed and recommended to the LDA Board by the Committee. Agenda, reports and minutes of the Committee will be made available upon request to all LDA Board Members for their information.

Frequency of Meetings

14. Meetings shall be held monthly or at such other intervals as the Committee may agree. However, if the Chair of the Committee decides that a meeting is not necessary, that person may decide to cancel the meeting. The Chair may also call additional Committee meetings or informal meetings / workshops as required.