
Vehicle & Operator Services Agency (VOSA)

Corporate Governance Framework



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1. Introduction and Scope

- 1.1 Good corporate governance is fundamental to the success any effective organisation. This corporate governance framework sets out the roles, responsibilities and accountabilities of the Vehicle and Operator Services Agency's (VOSA's) Accounting Officer (Chief Executive), Directing Board and its sub-boards and committees.
- 1.2 The scope of this framework is to identify how VOSA's central corporate leadership is organised, how decisions are made, how finances are controlled and how performance and risk are monitored and managed. The document has been prepared in accordance with the letter to VOSA's Accounting Officer (AO) from the Department for Transport (DfT) delegating responsibility, with DfT's Corporate Group Corporate Governance Framework¹ and with good practice².
- 1.3 The governance and management of individual VOSA Directorate boards, groups, programmes and projects is outside of the scope of this document.

2. About VOSA

- 2.1 VOSA is an Executive Agency of DfT and was established in 2003. VOSA is responsible for:
 - The annual testing of heavy goods vehicles (HGVs) and public service vehicles (PSVs).
 - Supervision of the MOT scheme including training.
 - Targeted and random checks of vehicle roadworthiness.
 - Compliance with drivers' hours, Working Time Regulations and operator licensing conditions.
 - Offering advice and guidance to help customers comply.
 - Collision investigations, monitoring of vehicle recalls and research.
- 2.2 VOSA also provides administrative support to the Traffic Commissioners who are appointed by the Secretary of State for Transport and are independent of VOSA and DfT. The Traffic Commissioners have responsibility in their region for:
 - The licensing of the operators of HGVs and of PSVs.
 - The registration of local bus services.
 - Granting vocational driver licences and taking action against drivers of HGVs and PSVs.
- 2.3 The Secretary of State requires VOSA's AO to work with the Statutory Senior Traffic Commissioner to maintain the independence of the Traffic Commissioners and ensure that each party can carry out their respective responsibilities in the management of VOSA and the administration of the operator licensing system.
- 2.4 VOSA is a trading fund under the Government Trading Funds Act 1973 and has an annual turnover of around £180 million.
- 2.5 VOSA is located at its headquarters in Bristol, at offices in Swansea, Cambridge, Edinburgh, Leeds, Eastbourne and Birmingham and at 100 operational locations across Great Britain.

3. Mission, Vision and Values

- 3.1 **Mission**
Saving lives, safer roads, cutting crime, protecting the environment.

¹ Corporate Group Corporate Governance Framework, May 2012, DfT

² Corporate Governance in Central Government Departments: Code of Good Practice, 2011, HM Treasury and Cabinet Office

3.2 **Vision**

VOSA's vision for the future is one where drivers, operators, vehicles, MOT garages and maintainers are fully compliant with regulations. VOSA's five strategic pillars are:

- Testing & inspection.
- Licensing and authorisation.
- Enforcement.
- Supporting industry through education and information.
- MOT.

3.3 **Strategic Principles**

VOSA's approach to compliance is through a risk and evidence-based approach, which is proportionate and targeted according to the following strategic principles:

- Targeting those most likely to be non-compliant.
- Targeting areas of non-compliance most likely to cause collisions/incidents.
- Effective location.
- More effective partnering with regulatory and trade bodies.
- A graduated approach.

3.4 **Values**

VOSA has adopted the following values which contribute to the core aim of making roads safer:

- **Unity:** Trusting and supporting each other, we work as one team to make the roads safer. We sustain strong relationships based on tolerance and mutual cooperation.
- **Integrity:** We act consistently, with honesty and transparency. Everything we do must stand the test of public scrutiny.
- **Understanding:** We listen, we are considerate and show respect to colleagues, customers and the communities around us.
- **Excellence:** We strive to achieve the highest standards, confidently using our professional expertise in the work we do.
- **Responsibility:** We accept responsibility and accountability for what we do. We take ownership for our actions and work together to achieve them.

3.5 These values are not just a set of words. They form a contract within teams, directorates and VOSA as a whole. VOSA aims to demonstrate these values to colleagues and customers in our day to day work. VOSA's Directing Board periodically leads a review of these values with the aim of reinforcing them and demonstrating how they contribute towards delivery of VOSA's core aim of making roads safer.

4. **Role of the Accounting Officer**

4.1 The CEO of VOSA, which is a trading fund and is therefore fee funded, is appointed as AO by HM Treasury. The AO is responsible to the DfT Director General Corporate (via the Motoring Services Board), the DfT Principal Accounting Officer (Permanent Secretary) and to Parliament for VOSA's use of resources. The AO's judgement on matters for which he is responsible may only be over-ridden by the DfT Director General Corporate, the DfT Principal Accounting Officer or by Ministers.

4.2 The AO has delegated responsibility by DfT to manage VOSA's resources to support the DfT's vision of:

- Working as single team.
- Being the best we can be, within the resource constraints we have.
- Providing full and rewarding jobs for staff.

- 4.3 The AO has particular responsibility for ensuring that, for VOSA:
- a) There is a high standard of financial management, including a sound system of internal control.
 - b) Financial systems and procedures promote the efficient and economical conduct of business and safeguard financial propriety and regularity.
 - c) Financial considerations are fully taken into account in decisions on policy proposals.
 - d) Risk is considered in relation to assessing value for money.
 - e) Activities achieve high and reliable standards of regularity and propriety.
- 4.4 VOSA's AO is responsible for personnel management, pay and grading arrangements and recruitment of all staff in VOSA, other than for members of the senior civil service. The AO is also responsible for:
- f) Ensuring that VOSA practises a policy of equal opportunities and equal treatment - including race equality, gender equality and disability equality for all staff, applicants for employment and customers.
 - g) Promoting good employee relations, through effective communication and consultation with staff.
 - h) Ensuring compliance with statutory and departmental regulations on health and safety.
 - i) All security matters within VOSA.
 - j) Delivery of the VOSA Business Plan – that is, its front line services.
- 4.5 The AO is charged with signing VOSA's annual Governance Statement (contained within VOSA's Annual Report). Throughout the year VOSA also provides assurance to DfT through the MYMAS and EYMAS (Mid Year and End of Year Management Assurance Statements) and the Directors' Stewardship Certificates, all of which are scrutinised and endorsed by VOSA's Audit & Risk Committee ahead of submission. Collectively these statements provide evidence that a sound system of internal control is being maintained to support the achievement of VOSA's policies, aims and objectives, and that the effectiveness of this system is regularly reviewed.

5. Role of the Directing Board

- 5.1 The Directing Board is responsible for providing executive leadership for VOSA within a framework of prudent and effective controls which enables risk to be assessed and managed and allows the AO to effectively discharge his role. The Directing Board sets VOSA's strategic aims, ensures that the necessary financial and human resources are in place for the organisation to meet its objectives and reviews business performance. The Directing Board also sets VOSA's values and standards and ensures its obligations to customers and other stakeholders are understood and met.
- 5.2 The Directing Board is comprised of VOSA's Executive Directors and two Non-Executive Directors. It is chaired by the AO. The DfT Director General Corporate and the Managing Director Motoring Services have a standing invitation to attend.
- 5.3 Matters reserved to the Directing Board are indicated in Table 1 below. Matters which the Directing Board considers suitable for delegation for recommendation back to the Directing Board are referenced in the nominations column in the table. More detail regarding the detailed terms and reference of the sub-boards and committees can be found in Section 11 and in Annexe A02 Terms of Reference below.

Table 1 Matters reserved to the Directing Board

(The Nomination column indicates, where appropriate, which VOSA sub-board or committee will consider the item and make recommendations to the Directing Board for its approval).

		Nomination
1. Strategy & Management		
1.1	Responsibility for the overall leadership and management of VOSA.	
1.2	Approval of headcount establishment and organisational structures.	
1.3	Approval of VOSA's long-term business objectives and strategy.	Referred through Business Performance Board.
1.4	Approval of VOSA's long-term financial plan, annual operating and capital expenditure budgets and any material changes to them.	
1.5	Review of performance in the light of VOSA's strategy, objectives, business plan and budgets and ensuring that any necessary corrective action is taken.	Advised by Business Performance Board.
1.6	Extension of VOSA's activities into new business or geographic areas.	Referred through Investment & Change Board.
1.7	Any decision to cease to operate any material part of VOSA's business.	Referred through Investment & Change Board.
1.8	Approval of emergency management and business continuity policy and procedures.	
1.9	Approval of health and safety policy and ensuring robust health and safety management practice.	Advised by Health and Safety Committee.
1.10	Ensuring an appropriate level of staff engagement.	
2. Structure		
2.1	Major changes to VOSA's corporate structure.	
2.2	Changes to VOSA's management and control structure.	
3. Financial Reporting and Control		
3.1	Approval of the annual report and accounts [including the governance statement and remuneration report].	Advised by Audit & Risk Committee.
3.2	Approval of any changes in accounting policies or practices.	Advised by Audit & Risk Committee.
3.3	Monitoring of income and expenditure against budget and the approval of any necessary corrective action.	Advised by Business Performance Board.
4. Internal Controls		
4.1	Ensuring maintenance of a sound system of internal control and risk management including: a) receiving reports on, and reviewing the effectiveness of VOSA's risk and control processes to support its strategy and objectives b) undertaking an annual assessment of these processes. c) approving an appropriate statement for inclusion in the annual report.	Advised by Audit & Risk Committee.
4.2	Monitoring mitigation of key business risks and reporting these to DfT.	
5. Financial Appraisal and Approval (refer to Section 10 below for specific financial delegations)		
5.1	Approve VOSA's fees and charges	Referred through Fees & Charges Steering Group
5.2	Appraise and approve all investments and contracts, the value of which is ≥£500,000 (on the recommendation of the Investment Board and within the budget approved by the Directing Board). This applies to business as usual, capital, project or programme related investments and contracts.	The Investment & Change Board has delegated authority to: a) <u>Approve</u> (within the budget set by the Directing Board) - investments, contracts, projects or programme costs where the projected total delivery cost over the life of the project or programme is <£500,000 and ≥£150,000. Approvals are reported to the Directing Board. b) <u>Recommend approval by the</u>

		Directing Board (within the budget set by the Directing Board) of - investments, contracts, projects or programme costs where the projected total delivery cost over the life of the project or programme is ≥£500,000.
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5.3	Appraise and approve project budget overruns of Directing Board approved projects.	Advised by Business Performance Board (ensuring a revised business case is submitted to the Investment & Change Board as required).
5.4	Approve the delegation of financial authority.	AO
6. Communication		
6.1	Approval of press releases and internal communications concerning matters decided by the Directing Board.	AO

7. Board Membership		
7.1	Changes to the structure, size and composition of the Directing Board.	
7.2	Ensuring adequate succession planning for the Directing Board and senior management.	
7.3	Membership and chairmanship for sub-boards and committees.	
8. Remuneration		
8.1	Determining VOSA's remuneration policy in line with central government guidance.	Advised by Remuneration Committee.
9. Delegation of Authority		
9.1	Approval of terms of reference of sub-boards and committees.	
9.2	Receiving reports and recommendations for approval from sub-boards and committees.	
10. Corporate Governance Matters		
10.1	Undertaking a formal and rigorous annual review of the Directing Board's own performance and that of its sub-boards and committees.	
10.2	Review of VOSA's overall governance arrangements.	
11. Policies		
11.1	All new policies and changes to existing policies including: a) Operational policy b) Corporate policy	a) Operational policy is implemented through the User Group and referred through the Business Performance Board.
12. Other		
12.1	Permanent recruitment to posts outside existing headcount.	
12.2	Approval of the appointment of professional advisers.	
12.3	This schedule of matters reserved for Directing Board decisions.	

6. Role of Non-Executive Board Members

- 6.1 The AO is responsible for appointing at least two Non-Executive Board Members to the VOSA Directing Board. Their role is to:
- Bring an external perspective to the work of the Directing Board.
 - Provide independent challenge and scrutiny to the Directing Board.
 - Provide support and advice to the AO.

- 6.2 Currently, an additional Non-Executive member has been appointed by the AO to VOSA's Audit and Risk Committee. In VOSA this Committee consists exclusively of all three Non-Executives.

- 6.3 The appointment of Non-Executive Board members is carried out in line with Cabinet Office guidance on the recruitment, appointment and development of Non-Executive Board members.

7. Operating Principles and Code of Conduct

- 7.1 All members of the Directing Board, when taking up office, are fully briefed on the terms of their appointment, on their duties and responsibilities and expectations in relation to regularity and propriety. This briefing includes copies of this Governance Framework, other relevant background material such as the DfT Corporate Group Framework Document, the latest VOSA Business Plan, VOSA's Annual Report and Accounts and notes describing VOSA's organisational structure. Each Directing Board member is given the opportunity to attend an induction course on the duties of board members of public bodies or some other suitable form of training related to their new responsibilities.
- 7.2 Operating principles for all VOSA's boards and committees are appended in Annexe A01.
- 7.3 It is a long established principle that public sector bodies, including VOSA, must be impartial and honest in the conduct of their business, and that their employees should remain beyond suspicion of any impropriety. All Directors and staff are therefore expected to comply with the Civil Service Code of Conduct. It is also an offence under the Prevention of Corruption Acts 1906 and 1916 for an employee corruptly to accept any inducement or reward for doing, or refraining from doing anything, in his or her official capacity, or corruptly showing favour, or disfavour, in the handling of contracts. In relation to the Bribery Act 2011 managers are responsible for ensuring they have adequate procedures in place to prevent bribery, paying due regard to Ministry of Justice guidance.
- 7.4 Directors and staff should be aware that a breach of the provisions of these Acts renders them liable to prosecution and may also lead to the loss of their employment and superannuation rights.

8. Declarations of Interest and Register of Interests

- 8.1 Chapter 5.2 (Conflicts of Interest) of the VOSA Staff Handbook informs all staff of the required procedures regarding private business interests, directorships, contracts and private purchases of government property.
- 8.2 The AO ensures that a register of interests is established by the Director of Organisational Development to formally record declarations of interests by employees. Directing Board members are required to declare any interests which are relevant and/or material to VOSA's business. Any relevant interest of spouses or partners should also be declared. Directors' interests in companies or professional partnerships likely or possibly seeking to do business with VOSA should be published in the annual report with the information being kept up to date by annual review. This register will also be available to the public.
- 8.3 Relevant and/or material interests are defined as:
- a) Directorships, including non-executive directorships held in private companies or PLCs (with the exception of those of dormant companies).
 - b) Ownership or part-ownership of private companies, businesses or consultancies likely or possibly seeking to do business with VOSA or in the wider transport industry.
 - c) Majority or controlling shareholdings in organisations likely or possibly seeking to do business with VOSA or in the wider transport industry.
 - d) Employment, or business or other relationship with organisations or individuals, likely or possibly seeking to do business with VOSA or in the wider transport industry.
- 8.4 The AO is responsible for assessing the risk associated with any perceived or potential conflict of interest and introducing appropriate mitigation.

- 8.5 At the beginning of each meeting the respective Chairs of VOSA’s Directing Board, sub-boards and committees shall call for any declarations of interest from members in relation to any of the items on the agenda. Any declarations shall be recorded in the minutes and the individual concerned shall withdraw from the meeting and play no part in the relevant discussion or decision on that specific item.
- 8.6 Chapter 3.4 of the VOSA Staff Handbook sets out the required procedures for all staff regarding acceptance of gifts, benefits and hospitality.

9. Board Effectiveness

- 9.1 An effective Directing Board is essential for proper scrutiny and support of VOSA’s activities. The Directing Board ensures that arrangements are in place to enable it to discharge its responsibilities effectively by:
- Succession planning for both Directing Board members and senior staff.
 - Allowing sufficient time for the Directing Board to discharge its collective responsibilities effectively.
 - Induction on joining the Directing Board, supplemented by regular updates to keep members’ skills and knowledge up-to-date.
 - Timely provision of information in a form and of a quality that enables the Directing Board to discharge its duties effectively.
 - A mechanism for learning from past successes and failures.
 - A formal and rigorous annual evaluation of the Directing Board’s performance and that of its sub-boards and committees, and of individual Directing Board members as part of line management appraisal.
 - A dedicated secretariat with appropriate skills and experience.

10. Financial and Contractual Authority within VOSA

- 10.1 The AO is delegated authority by DfT for the use of VOSA’s resources. The AO receives this delegation annually in writing. This letter defines the AO’s level of financial and contractual authority.
- 10.2 In order to enable effective decision making across VOSA, and to ensure stringent financial control, the AO writes annually to Directors and other senior individuals sub-delegating financial and contractual authority within defined parameters. These individuals must accept this authority in writing. Financial authority relates to the ability to approve payments. Contractual authority relates to the ability to enter into contracts on VOSA’s behalf.
- 10.3 The authority level for financial approval for individuals is also captured in the P2P system.
- 10.4 Investment approval authority (ie. to proceed to procurement) is defined in Table 2 below:

Table 2 Current VOSA Investment Approval Matrix

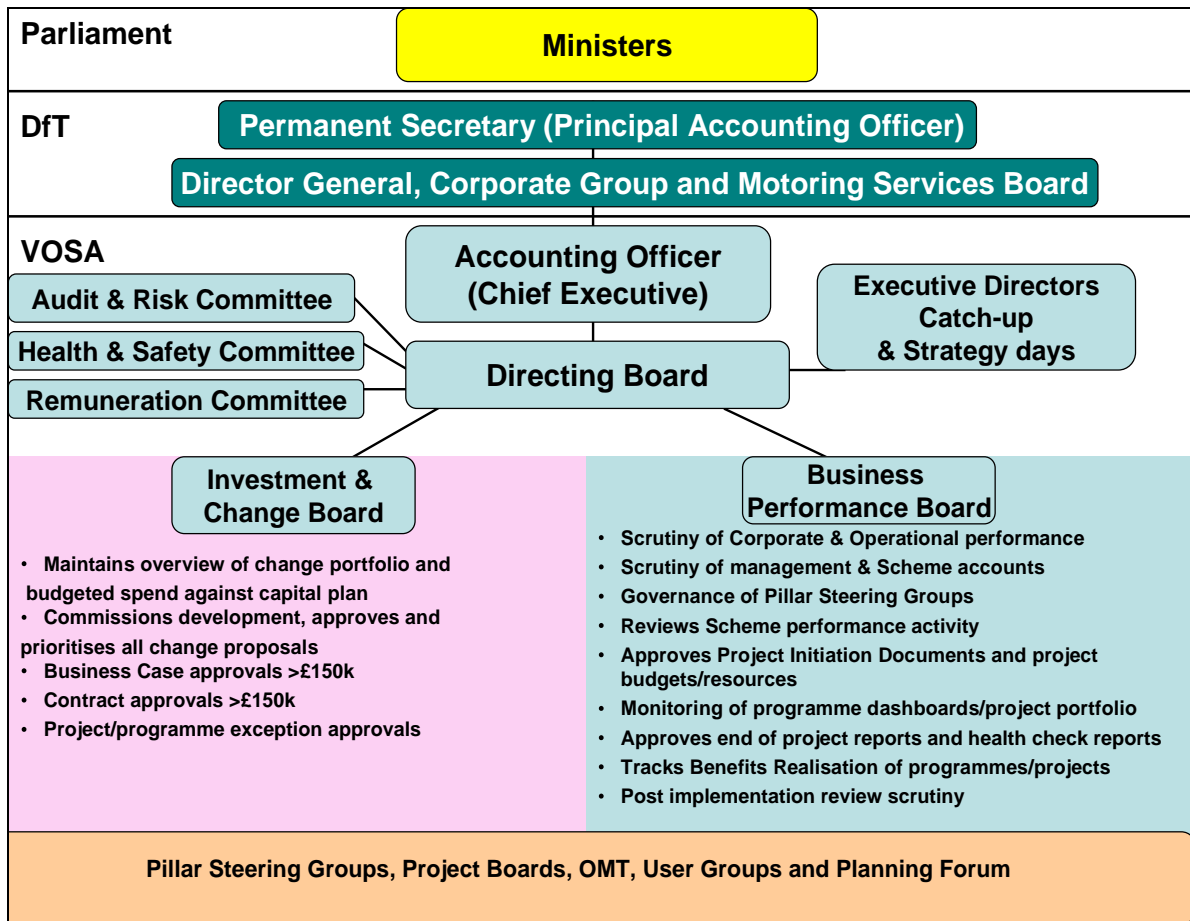
(Investment Approvals are based on gross lifetime costs)

≥ £500,000	Investment & Change Board endorsement & Directing Board
< £500,000 and ≥£150,000	Investment & Change Board
<£150,000 and ≥£50,000	Director Responsible + Director of Resources
<£50,000	Director or authorised individual within the P2P electronic approval system

11. Role of Sub-Boards and Committees

- 11.1 Diagram A below illustrates the overall governance structure within VOSA including VOSA’s governance relationship with DfT.

Diagram A: VOSA’s Corporate Governance Structure

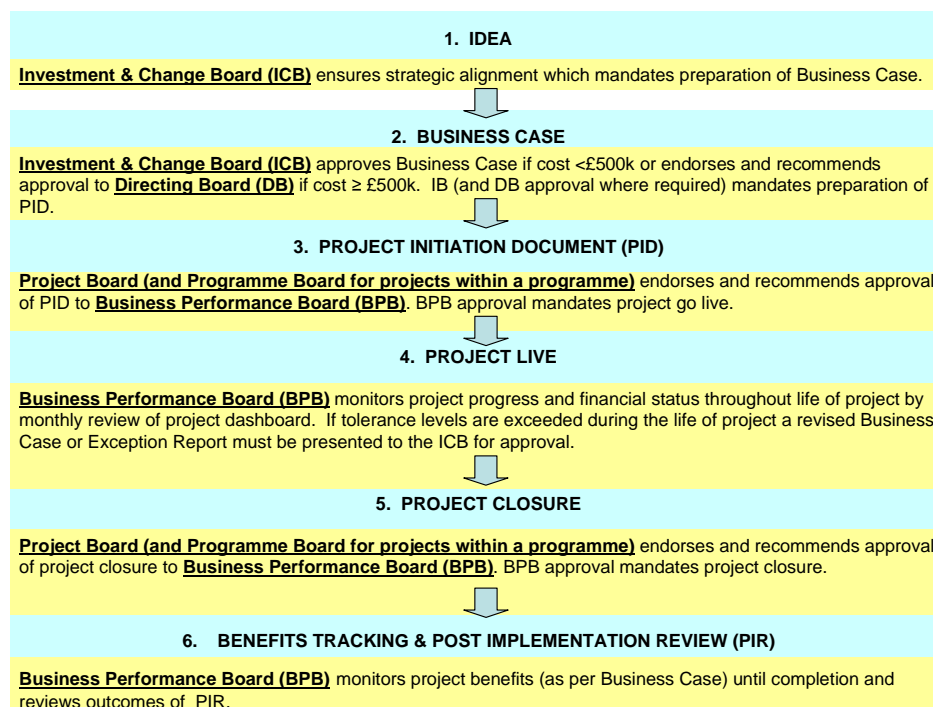


- 11.2 **Audit and Risk Committee (ARC):** The Directing Board has established an ARC, as a committee of the Directing Board, to advise and support them in their responsibilities for issues of risk control and governance. The ARC reviews the comprehensiveness of assurances in place to meet the Directing Board's needs and reviews the reliability and integrity of these assurances, providing advice where applicable. This includes the reviewing and advising on the implementation of accounting principles in conjunction with external auditors.
- 11.3 **Remuneration Committee (RemCom):** The Remuneration Committee has been delegated authority by the Directing Board to consider the remuneration packages for staff at Level 10 or above (excluding SCS grades), particularly bonus levels. This Committee may also make recommendations to the Directing Board on the Agency's wider contingent reward policy.
- 11.4 **Health and Safety Committee (HSC):** The Directing Board has established an HSC, as a Committee of the Directing Board, and in accordance with Health and Safety Executive guidance to advise and support the Directing Board on matters of health and safety policy, structure and communication, reviewing these against legal obligations.
- 11.6 **Investment & Change Board (ICB):** The Investment & Change Board has been delegated authority by the Directing Board to appraise and approve business cases for investment providing assurance to the Directing Board that sound decisions are made in relation to the investment of public funds. The ICB has authority to approve investment \geq £150,000 and $<$ £500,000 and to endorse investment \geq £500,000 for Directing Board approval. This applies to business as usual, capital, project or programme related investments and contracts. The Investment Board also monitors benefit realisation for projects it has previously approved. The ICB has also been delegated authority by the Directing Board to govern the development of change proposals to deliver VOSA's Blueprint and business plans. All proposals are required to be considered by the ICB ahead of work commencing on a business case and/or submission to the ICB/Directing Board.

11.7 **Business Performance Board (BPB):** The Business Performance Board has been delegated authority by the Directing Board to ensure VOSA’s operational, scheme management and all project and programme activity, delivering VOSA’s business plan and ensuring that performance targets are being met.

11.9 The role of the two sub-boards in the approval and monitoring of projects is illustrated in simple form in Diagram B below:

Diagram B: VOSA’s Project Approval and Monitoring Framework



12. Performance Measurement – VOSA Key Performance Framework

12.1 VOSA’s strategic planning process is encompassed in the development of its 5 year “Blueprint” which is aligned with the 5 pillars:

- Testing & inspection
- Licensing and authorisation
- Enforcement
- Supporting industry through education and information
- MOT

12.2 VOSA’s key performance framework is set out in the Annual Business Plan and the Corporate Performance Scorecard. It is aligned with DfT’s vision of “a transport system that is an engine for economic growth, but one that is also greener and safer and improves quality of life in our communities”.

12.3 Throughout the year the Business Performance Board is delegated by the Directing Board to perform a monthly scrutiny of organisational performance against objectives and report back to the Directing Board by exception. The DfT Motoring Services Group receives a monthly summary as part of VOSA’s performance review.

13. VOSA as Employer

13.1 The Directing Board take steps to ensure that VOSA complies with all relevant employment legislation and that it employs suitably qualified staff who will discharge their responsibilities

in accordance with the high standards expected of staff employed by public bodies. This excludes the Traffic Commissioners who are appointed and governed by DfT.

- 13.2 The Directing Board believes all staff should be familiar with VOSA's corporate strategy, including its main aims and objectives, and the internal management and control systems which relate to their work. In filling senior staff appointments, the Directing Board ensures that an adequate field of qualified candidates is considered, and normally operates full open competition for recruitment of external candidates.
- 13.3 A member of the VOSA's staff should not solicit for any person any appointment with VOSA or recommend any person for such appointment but this does not preclude a staff member from giving written testimonial of a candidate's ability, experience or character for submission to VOSA.
- 13.4 Directors and employees are required to disclose to the AO any relationship between him/herself and a candidate of whose candidature that Director or employee is aware. It is the duty of the Director of Organisational Development to recommend a course of action to the AO for any such disclosure made.
- 13.5 The Directing Board takes steps to ensure that its members, and VOSA's staff, have access to expert advice and suitable training opportunities which they may require in order to exercise their responsibilities effectively.
- 13.6 The Directing Board has ensured that VOSA's rules for the recruitment and management of employees provide for appointment and advancement on merit on the basis of equal opportunity for all applicants and staff, that a diversity strategy is in place and that the rules of conduct for VOSA's employees reflect the public service values. The Director, Operations is the Champion for Equality within VOSA.

14. Approval of Additional Recruitment Requests

- 14.1 VOSA's headcount within the financial year is "locked down" within VOSA's approved annual budget (based on the staff requirements proposed and agreed during the annual budget setting process).
- 14.2 Requests by Directors to vary roles within the existing headcount or to recruit additional staff outside of this existing headcount (and associated budget) must be approved as follows:

Resource	Approval
Project resource (time limited for the duration of a project)	Required to be clearly defined and costed within the Project Initiation Document for approval by Business Performance Board (refer to Diagram B above)
Minor variations within existing budget	Executive Directors' decision at Catch Up meeting or Strategy Day
Major variations which would cause permanent growth in budget	Directing Board

- 14.3 Further detail, including the complete route to approval, is available from the relevant VOSA HR Business Partner.

15. Procurement

- 15.1 VOSA has adopted procurement policies which are compliant with any policies or guidance issued by the Cabinet Office, DfT's procurement policies, EU procurement directives, the DfT Corporate Group Governance Framework, DfT governance requirements and to achieve value for money.

- 15.2 All Directing Board members and employees who are in contact with suppliers and contractors, and in particular those who are authorised to approve purchase orders, or place contracts for goods, materials or services, are expected to adhere to professional standards as set out in section A2.3 of the DfT procurement manual. They should make sure actions are within their delegated authority and that appropriate authorisation is gained where it is necessary. Directors and selected staff declare this to be the case in their annual Stewardship Certificate.
- 15.3 Fair and open competition between prospective contractors or suppliers for VOSA's contracts is a requirement of procurement policy and of EU directives on public purchasing for works and supplies. This means that:
- No private, public or voluntary organisation or company which may bid for VOSA business should be given any advantage over its competitors, such as advance notice of requirements. This applies to all potential contractors, whether or not there is a relationship between them and VOSA, such as a long-running series of previous contracts
 - Each new contract should be awarded solely on merit, taking into account the requirements of VOSA including value for money and the ability of the contractors to fulfil them.
- 15.4 The Directing Board should ensure that no special favour is shown to current or former employees or their close relatives or associates in awarding contracts to private or other businesses run by them or employing them in a senior or relevant managerial capacity. Contracts may be awarded to such businesses where they are won in fair competition against other tenders, but scrupulous care must be taken to ensure that the selection process is conducted impartially, and that directors and employees who are known to have a relevant interest play no part in the selection.
- 15.5 VOSA takes steps to ensure that all invitations to potential contractors to tender for VOSA business include a notice warning tenderers of the consequences of engaging in any corrupt practices involving employees of public bodies.

16. Risk Management and Internal Audit

16.1 VOSA's risk appetite statement is as follows:

"The VOSA Directing Board appreciates that setting a Risk Appetite contributes to the Agency's ability to improve the services it provides by optimising risk taking and accepting calculated risks within an appropriate level of authority.

As VOSA is an Executive Agency of the Department for Transport, the Board is mindful of central related risk policies. DfT has stated that the resources available for managing risk are finite and so its aim is to achieve optimum response to risk, prioritised in accordance with its evaluation of the likelihood and potential impact of risk occurring.

Having considered VOSA's capabilities, the Board has set guidance for the Agency on risk appetite in four key areas following the classifications published by HM Treasury.

Health & Safety – The Board has stated that the health & safety of people is a priority particularly as staff work in a wide variety of environments on a nationwide basis. As such the Board has set the corporate appetite for this area as *Minimalist*, demonstrating a preference for ultra safe options that have a low degree of inherent risk.

Governance – This is a wide appetite area encompassing Propriety & Regularity, Information Security and third party relationships. At a corporate level the Board has a *Cautious* attitude to risks in this area preferring safe options that have a low degree of residual risk and may only have limited potential for reward.

Operational Delivery – The Board has set a *Cautious* risk appetite for the annual measures and legislative requirements that the Agency delivers. When considering how the Agency changes to meet future demands for its services, the Board has agreed an *Open* risk appetite as it is willing to consider all options and choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward.

Finance – As a Trading Fund, the good management of finance is of continued importance. The Agency’s primary purpose is, however, the delivery of enforcement, testing, licensing and educational services. The Board has set a *Cautious* appetite when considering risks related to finance.

The Directors recognise that innovation and opportunities to improve VOSA’s services will require some risk taking and are committed to ensuring the Agency has an appropriate framework so that risks can be assessed and managed. .”

- 16.2 VOSA’s system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on:
- An ongoing process designed to identify and prioritise the risks to the achievement of VOSA’s policies, aims and objectives.
 - Evaluating the likelihood of those risks being realised and the impact should they be realised; and managing them efficiently, effectively and economically.
- 16.3 The system accords with HM Treasury guidance. The Directing Board has established and embedded a risk management system which is reviewed during the year by the Audit and Risk Committee while the Directing Board considers the Key Business Risk Register at each meeting. For assurance of effective risk management the Directing Board may call for a “risk spotlight” report in relation to one or more specific risks on the register. Risk management has been built into the Agency’s planning systems and is embedded in all governance processes. Risk management is an integral part of VOSA’s quality processes within programme, project and operational services. VOSA fully recognises the principles for public risk management and reports the top key business risks to DfT on a monthly basis.
- 16.4 The Directing Board, following recommendation by the Audit and Risk Committee, also approves the annual internal audit plan. The VOSA Internal Audit unit operates to Government Internal Audit Standards and the working practices as described under the DfT Group Operating Model for Internal Audit functions. The Head of Internal Audit reports directly to the AO and the unit’s functions are established by the AO in association with the Audit and Risk Committee. The unit operates as an independent and objective appraisal and advice service. Its primary function is to provide an opinion on risk management, internal control and governance arrangements by measuring and evaluating their effectiveness in achieving VOSA’s agreed objectives.

17. Data Handling, Security and Information Risk

- 17.1 VOSA’s data and information handling procedures must comply with all relevant statutory and regulatory requirements. This includes, amongst others, the Data Protection Act, Freedom of Information Act, Environmental Information Regulations, Road Traffic Act, Computer Misuse Act and Protection of Intellectual Property Rights. VOSA processes data on behalf of the Secretary of State for the Department for Transport. The data owner, under the Data Protection Act, is the Secretary of State. The public authority, under the Freedom of Information Act, is DfT. At all times, VOSA will seek compliance with the requirements set out in HMG Information Assurance (IA) Standards 1 to 7 and HMG Security Policy Framework, together with Good Practice Guides published periodically by the Central Electronics Security Group (CESG) and VOSA’s policy endorses that aim. The Senior Information Risk Owner (SIRO), the Chief Information Officer, is the Champion for Information Risk within VOSA.

18. Openness and Transparency

- 18.1 The Government has set out the need for greater transparency across its operations. VOSA is committed to publishing a range of information on its own website <http://www.dft.gov.uk/vosa/aboutvosa/transparencyagenda.htm> and information relating to VOSA, as an Executive Agency of DfT, is also published on the DfT website <http://www.dft.gov.uk/transparency>
- 18.2 VOSA's Directing Board contributes to VOSA's commitment to the transparency agenda by publishing, on VOSA's website, this Corporate Governance Framework document: <http://www.dft.gov.uk/vosa/corporatepoliciesandstandards/corporatepoliciesandstandards.htm> and the Directing Board's agendas, minutes and any papers with unprotected markings: <http://www.dft.gov.uk/vosa/publications/vosaboardpapers/vosaboardpapers.htm>

19. Access to Information

- 19.1 VOSA, as an Executive Agency of the Department for Transport, is a “public authority” to which the Freedom of Information Act 2000 (“the FOI Act”) applies. The FOI Act aims to make information held by public authorities more accessible to the public and allows individuals and companies to request a wide variety of material. Procedures for making a request and details of responses to previous requests can be found on both the VOSA and Department for Transport websites:
<http://www.dft.gov.uk/vosa/corporatepoliciesandstandards/freedomofinformation/freedomofinformation.htm> and <http://www.dft.gov.uk/foi/>

20. Complaints

- 20.1 VOSA is committed to providing a high standard of service to all customers and values complaints, suggestions and compliments as a means to improve business practices and drive change. In order to ensure any complaint about the service experienced by our customers is captured and addressed, VOSA operates a three tiered complaints procedure with further recourse to the DfT Independent Complaints Assessor. Details regarding complaints policy and procedures can be found on VOSA’s website at:
<http://www.dft.gov.uk/vosa/contactus/complaintssuggestionsandcompliments/complaintssuggestionsandcompliments.htm>

21. Annexes

A01. Board and Committee Operating Principles

- A01.1 Members of the Directing Board, sub-boards and committee agree to abide by the following principles:

- a) To uphold the values of the Civil Service and the seven Nolan principles of public life:

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.
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.
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 merits.
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.
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.
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 interests.
Leadership	Holders of public office should promote and support these principles by leadership and example.

b) To champion VOSA's values:

Unity	Trusting and supporting each other, we work as one team to make the roads safer. We sustain strong relationships based on tolerance and mutual cooperation.
Integrity	We act consistently, with honesty and transparency. Everything we do must stand the test of public scrutiny.
Understanding	We listen, we are considerate and show respect to colleagues, customers and the communities around us.
Excellence	We strive to achieve the highest standards, confidently using our professional expertise in the work we do.
Responsibility	We accept responsibility and accountability for what we do. We take ownership for our actions and work together to achieve them.

- c) To act with mutual trust and respect.
- d) To listen to and tolerate diverse points of view.
- e) To share facts and evidence bearing in mind confidentiality where appropriate.
- f) To lead the organisation in being open and accountable.
- g) To act in the best interest of VOSA as a whole.
- h) To take collective responsibility for decisions made.
- i) To support the Chair in making the best use of the time available.
- j) To be prepared, arriving on time having read the papers in advance.
- k) To understand their role as individuals and as a group.
- l) To ensure members have the appropriate knowledge and skills through induction and development.
- m) To openly declare any relevant conflicts of interest.

A01.2 Each board and committee has an appointed Chair. The role of the Chair is to:

- a) Provide leadership.
- b) Take responsibility for the board or committee's composition and development.
- c) Ensure proper information is submitted to allow decisions to be made.
- d) Plan and conduct meetings effectively.
- e) Ensure all members are involved in the board or committee's work.
- f) Ensure the board or committee focuses on its key tasks
- g) Engage the members in assessing and improving the board or committee's performance
- h) Oversee the induction and development of new members
- i) Support the objectives of the Directing Board.

A01.3 The Chair of each board and committee is supported by a Board Secretary.

A01.4 The names of those present at meetings are recorded in the minutes. Attendance statistics for the Directing Board over the preceding year are published in the annual Governance Statement.

A01.5 With the exception of the Audit & Risk Committee, Directors unable to attend a specific meeting may choose to send a representative from among the Corporate Senior Leaders in their directorate. Subject matter experts may be called to present papers which have been cleared by their Director. Papers are required to be submitted to allow circulation of papers to board and committee members to the following timescale:

Directing Board and Audit and Risk Committee	8 calendar days in advance of meeting (to allow receipt by post for the Non-Executive Directors)
Other Boards and sub committees	7 calendar days in advance of meeting

A01.6 Minutes of each meeting, including a record of decisions, are drawn up by the Board Secretary and submitted for agreement at the next ensuing meeting. Minutes are available to all members. Minutes of the Directing Board are published on the external VOSA website once approved. The Board Secretary can also provide papers and minutes for specific meetings on request, subject to protective marking status.

A01.7 Actions taken at each meeting are also recorded and members commit to undertaking these actions and reporting on completion, or progress, at the ensuing meeting.

A01.8 Terms of reference will be reviewed annually and any changes agreed by the Directing Board.

A01.9 An annual review of effectiveness of each board and committee will be undertaken by the Chair.

A02. Terms of Reference

DIRECTING BOARD Terms of Reference

Purpose:	To provide leadership for VOSA by setting strategic direction and maintaining a framework of prudent and effective controls which enable risk to be assessed and managed and allowing the AO to effectively discharge his role.
Membership:	<p>The Directing Board is comprised of:</p> <ul style="list-style-type: none"> • AO (CEO) • Executive Directors • Non-Executive Directors (2) <p>The Directing Board is usually chaired by the AO (or Deputy Chief Executive in his absence).</p>
Attendees:	<ul style="list-style-type: none"> • The DfT Corporate Group Director General and the DfT Managing Director Motoring Services have an open invitation to attend. • Individuals presenting specific papers. • Invited observers • Board Secretary
Responsibilities:	<p>The Directing Board has overall responsibility for:</p> <ol style="list-style-type: none"> a) A clear strategic direction (vision, mission, goals and values) which is communicated throughout the organisation to inform ongoing development. b) Ensuring VOSA's obligations to customers and other stakeholders are understood and met. c) Monitoring and improving levels of staff engagement. d) Ensuring VOSA's financial strategy contains a value for money plan and that financial management is sound, including the monitoring, review and rebalancing of funds, setting of the budget, setting fees and charges and monitoring capital and project spending and benefits. e) Approving all investments or contracts requiring financial input of ≥£500,000. f) Setting out the key priorities for future years to inform development of VOSA's business plan. g) Reviewing performance against key targets, as reported by exception from the Business Delivery Board. h) A clear risk management strategy, fully embedded within VOSA through regular reviews of high level risk, including setting the risk appetite. i) Meeting all legal and Government requirements. j) Approving VOSA's annual business plan and Annual Report and accounts. k) Approving all new policy and changes to existing policy. l) Conducting an annual review of the effectiveness of its sub-boards and committees. <p>The Directing Board will annually review its own effectiveness.</p>
Meetings:	<p>The Directing Board will meet sufficiently regularly to discharge its duties effectively. This is likely to be no less than 10 times per annum.</p> <p><u>Quorum:</u> A minimum of three Executive and one Non-Executive Board members.</p> <p>In the event of a meeting being held in the absence of the AO, all decisions taken will require ratification by the AO.</p> <p>The Directing Board may ask any or all of those in attendance but who are not members to withdraw to facilitate open and frank discussion of particular matters.</p>
Review:	<p>The Directing Board will review these terms of reference annually as part of the review of the VOSA Corporate Governance Framework. Changes to these terms of reference must be agreed by the Directing Board.</p>

AUDIT AND RISK COMMITTEE (ARC)
Terms of Reference

Purpose:	The Directing Board has established an ARC, as a committee of the Directing Board, to advise and support them in their responsibilities for issues of risk control and governance. The ARC reviews the comprehensiveness of assurances in place to meet the Directing Board’s needs and reviews the reliability and integrity of these assurances, providing advice where applicable. This includes reviewing and advising on the implementation of accounting principles in conjunction with external auditors.
Membership:	VOSA’s two Non-Executive Board members and one external Non-Executive, one of whom is appointed Chair.
Attendees:	<p>In addition to its members, meetings will normally be attended by:</p> <p><u>Internal Attendees</u></p> <ul style="list-style-type: none"> • CEO • Director of Resources • Head of Internal Audit • Invited observers • Board Secretary <p><u>External Attendees</u></p> <ul style="list-style-type: none"> • Representative(s) of External Audit (National Audit Office) • Representative(s) of DfT Audit and Finance <p>• Individuals presenting specific papers.</p> <p>The ARC may ask any other VOSA staff to attend to assist in discussions on any particular matter.</p>
Reporting:	<p>The ARC will formally report in writing to the Directing Board after each meeting making any recommendations and escalating risks and issues as appropriate.</p> <p>The ARC will provide the Directing 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.</p> <p>The ARC will annually review its own effectiveness and report the results of that review to the Directing Board.</p>
Responsibilities:	<p>The ARC advises Directing Board on:</p> <ol style="list-style-type: none"> a) The strategic processes for risk, control and governance and the Governance Statement. b) The audit strategy and periodic audit plans, forming a view on how well they support the Head of Internal Audit’s responsibility to provide an annual opinion on the overall adequacy and effectiveness of the organisation’s risk management, control and governance. c) The planned activity and results of both internal and external audit and the adequacy of management response to issues identified by audit activity, including external audit’s management letter. d) Corporate governance requirements such as; <ul style="list-style-type: none"> • ongoing management assurance, eg. MYMAS, EYMAS, and stewardship statements, to support mid and year end accountability, reporting and preparation of the annual governance statement. • the level of confidence required in assurances, including the extent to which the range of assurance providers can be relied on by Internal Audit in accordance with the Government Internal Audit Standards. e) Where appropriate, proposals for tendering for either Internal or External Audit Services or for purchase of non-audit services from audit contractors. f) The accounting policies, the accounts, and the internal 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. g) The integrity of the financial statements reviewing significant financial reporting judgements and reviewing the internal financial control system. <p>The ARC also:</p> <ol style="list-style-type: none"> h) Engages with External Audit to consider the relevant audit reports, management

	<p>letters and other outputs, consider the planned approach and cooperation with Internal Audit to maximise audit efficiency, capture opportunities to derive a greater level of assurance and minimise duplication of work.</p> <p>i) Reviews any plans by External Audit to carry out value for money audits in the Agency.</p> <p>j) Constructively challenges assurance providers as to whether the scope of their activity meets the Directing Board's needs and the actual assurances to test that they are founded in sufficient reliable evidence and that the conclusions are reasonable in the context of the evidence.</p> <p>k) Draws attention to strengths and weaknesses in control and make suggestions to the Directing Board for how weakness might be dealt with.</p> <p>l) Provides assurance that risk is appropriately managed or draw attention to areas of inadequate or over control.</p> <p>m) Considers matters relating to the control environment including ethical behaviour, anti-fraud policies, whistle-blowing processes and arrangements for special investigations.</p> <p>n) Considers reports of alleged impropriety and other serious breaches of rules and regulations.</p> <p>o) Provides assurance that VOSA's Internal Audit meets the standards of the <i>Government Internal Audit Standards</i> and achieves agreed levels of service.</p> <p>p) Maintains awareness of Audit and Risk best practice. VOSA will support the training needs of the Members, subject to budgetary approval.</p> <p>q) The Chair of this Committee also contributes to ensuring cross Departmental assurance systems are working effectively through membership of the DfT Group Audit Committee.³</p>
Rights:	The ARC may procure specialist ad-hoc advice and skills training at the expense of VOSA, subject to budgets agreed by the Directing Board.
Access:	<p>The Head of Internal Audit and the representative of External Audit will have free and confidential access to the chair of the ARC.</p> <p>The Chair of the ARC has access to the DfT Principal Accounting Officer and to the Chair of the DfT Group Audit Committee.</p> <p>Department auditors have access to conduct additional assurance activity on behalf of the DfT Principal Accounting Officer.</p>
Meetings:	<p>The ARC will meet sufficiently regularly to discharge its duties effectively. This is likely to be no less than 5 times per annum. The Chair of the ARC may convene additional meetings, as deemed necessary. The Directing Board or the AO may also ask the ARC to convene further meetings to discuss particular issues on which they require the Committee's advice.</p> <p><u>Quorum</u> A minimum of two members of the Audit Committee.</p> <p>The ARC may ask any other VOSA staff to attend to assist it with its discussions on any particular matter.</p> <p>The ARC may ask any or all of those in attendance but who are not members to withdraw to facilitate open and frank discussion of particular matters.</p>
Review:	The Directing Board will review these terms of reference annually as part of the review of the VOSA Corporate Governance Framework. Changes to these Terms of Reference must be agreed by the VOSA Directing Board.

³ Membership of the DfT Group Audit Committee is drawn from DfT Non-Executive Board members and three Non-Executive Directors from DfT Executive Agencies. The Permanent Secretary, Director General of Corporate, the Group Head of Internal Audit, the Finance Director and the NAO Financial and VfM Directors also attend the meeting.

HEALTH AND SAFETY COMMITTEE (HSC)
Terms of Reference

Purpose:	The Directing Board has established a HSC, as a committee of the Directing Board, and in accordance with Health and Safety Executive guidance to support and advise the Directing Board on matters of health and safety policy, structure and communication, reviewing these against legal obligations.
Membership:	<p>The members of the HSC are:</p> <ul style="list-style-type: none"> • Two Executive Directors, including the Director of Organisational Development • One Non-Executive Director • VOSA's Health and Safety Manager • At least three Staff Representatives <p>The HSC will be chaired by the Director of Organisational Development.</p>
Attendees:	<ul style="list-style-type: none"> • There is an open invitation for the AO, as Champion for Health and Safety within VOSA, and/or any Executive or Non-Executive Director to attend the meeting. • Individuals presenting specific papers. • Invited observers • Board Secretary
Reporting:	<p>The HSC will formally report in writing to the Directing Board after each meeting making any recommendations and escalating risks and issues as appropriate.</p> <p>The HSC will provide the Audit and Risk Committee and Directing Board with an Annual Health and Safety Report, timed to support finalisation of the accounts and the Governance Statement, summarising its conclusions from the work it has done during the year.</p> <p>The HSC will annually review its own effectiveness and report the results of that review to the Directing Board.</p>
Responsibilities:	<p>The HSC will advise the Directing Board on:</p> <ul style="list-style-type: none"> • Championing an ethos of Health & Safety (H&S) and developing the H&S culture ensuring VOSA has exemplary H&S standards. • Ensuring compliance with H&S legislation and regulations. • Analysis of incidents, including near misses, of RIDDOR and of days lost due to work related accidents and resulting mitigation activity. • Ensuring H&S policy is reflected in VOSA's plans, priorities and targets. • Ensuring H&S implications of change are built into new and developed processes inclusive of contractor and partner involvement. • Ensuring H&S arrangements are adequately resourced. • Ensuring H&S advice is competent and H&S training meets the needs of H&S Officers, H&S Coordinators, Agency managers and staff. • Scrutinising H&S data to ensure the Agency's H&S policy and guidance is being adhered to. • Quality assurance of H&S Risk Assessments to establish that they are effectively completed. • Quality assurance of H&S decisions to confirm staff and their representatives are involved.
Rights:	<p>The HSC may:</p> <ul style="list-style-type: none"> • Co-opt additional members from VOSA's staff, (with the agreement of the relevant Executive Director), for a period not exceeding a year to provide specialist skills, knowledge and experience. • Appoint working groups as required.
Access:	The Health and Safety Manager will have free and confidential access to the chair of the HSC.
Meetings:	<p>The HSC will meet at least four times a year. The chair of the HSC may convene additional meetings, as they deem necessary. The Directing Board may ask the HSC Committee to convene further meetings to discuss particular issues on which they require the Committee's advice.</p> <p><u>Quorum</u></p>

	<p>A minimum of three management and three staff representative members.</p> <p>The HSC may ask any other VOSA staff to attend to assist it with its discussions on any particular matter.</p> <p>The HSC may ask any or all of those in attendance but who are not members to withdraw to facilitate open and frank discussion of particular matters.</p>
Review:	<p>The Directing Board will review these terms of reference annually as part of the review of the VOSA Corporate Governance Framework. Changes to these Terms of Reference must be agreed by the Directing Board.</p>

REMUNERATION COMMITTEE (REMCOM)
Terms of Reference

Purpose:	The Remuneration Committee has been delegated authority by the Directing Board to consider the remuneration packages for staff at Level 10 or above (excluding SCS grades), particularly bonus levels. This Committee may also make recommendations to the Directing Board on the Agency's wider contingent reward policy.
Membership:	<ul style="list-style-type: none"> • Two Non-Executive Board members, one of whom will Chair. • AO <p>Note: The Director, Organisational Development is Secretary to this Committee</p>
Attendees:	<ul style="list-style-type: none"> • Individuals presenting specific papers.
Reporting:	Outcomes from the RemCom are reported to the Directing Board where this is not constrained by the requirement for protection of data relating to individuals.
Responsibilities:	<ul style="list-style-type: none"> • Consideration of the annual performance of L10 Directors and other staff where applicable, ensuring a comprehensive assessment of all outcomes and a review of individual and joint contributions of Directors. • Responsible for decisions in relation to the payment of L10 Director's bonuses giving consideration to any relevant weighting factors that reflect relationships as well as measures to identify high, medium, low or nil contribution. • Determining the pay of new L10 Directors and make recommendations on advertised salaries for external recruitment and starting salaries on promotion to L10. • Considering whether L10 Directors are eligible for benefits under any long-term incentive schemes. • Should it be required, the Committee is responsible for appointing any consultants in respect of L10 Director remuneration and providing a statement of whether or not they have any other connection with the Agency. • Providing recommendations to the Directing Board on the Agency's wider contingent reward policy. • Ensuring the Agency's remuneration for L10 Directors follows current Cabinet Office and DfT policies in place for the Senior Civil Service. • Maintaining awareness of Remuneration Committee best practice.
Rights:	The RemCom may procure specialist ad-hoc advice at the expense of VOSA, subject to budgets agreed by the Directing Board.
Meetings:	<p>The Committee will meet once per annum, usually in Spring. Exceptional meetings can be called by the Chair as required.</p> <p><u>Quorum</u> All members.</p>
Review:	The Directing Board will review these terms of reference annually as part of the review of the VOSA Corporate Governance Framework. Changes to these Terms of Reference must be agreed by the Directing Board.

INVESTMENT & CHANGE BOARD (ICB)
Terms of Reference

Purpose:	<p>The Investment & Change Board has been delegated authority by the Directing Board to govern the development of change proposals to deliver VOSA's Blueprint and business plans.</p> <p>The ICB has also been given delegation to appraise and approve business cases for investment providing assurance to the Directing Board that sound decisions are made in relation to the investment of public funds. This applies to business as usual, capital, project or programme related investments and contracts.</p> <p>All proposals are required to be considered by the ICB ahead of work commencing on a business case and/or submission to the Investment & Change Board/Directing Board.</p>
Membership:	<ul style="list-style-type: none"> • Two Executive Directors, one of whom will Chair the Board. • One Non Executive Director • Eight Corporate Senior Leaders (CSLs)*. <p>*Note: these IB members cannot at the same time be members of the BPB.</p>
Attendees:	<ul style="list-style-type: none"> • There is an open invitation for the AO and/or any Executive or Non-Executive Director to attend the meeting. • PMO Assurance • Project Accountant • Planning Team members • Individuals presenting specific papers. • Invited observers • Board Secretary
Reporting:	<p>The ICB will provide a monthly activity report to the Directing Board making any recommendations and escalating risks and issues as appropriate.</p> <p>The ICB will annually review its own effectiveness and report the results of that review to the Directing Board.</p>
Responsibilities:	<p>The ICB has been delegated responsibility for:</p> <ul style="list-style-type: none"> • Reviewing change proposals to ensure strategic alignment and appropriate business capability and capacity to deliver. • Commissioning pillar leads, CSLs or working groups to develop proposals in line with the timeline, ensuring appropriate stakeholder engagement. • All change proposals are required to be considered by the BTB ahead of work commencing on a business case and/or submission to the Investment Board/Directing Board. This includes centrally mandated initiatives. • Maintaining an overview of the business change portfolio and budgeted spend against the Capital Investment Plan. • Responding to any changes made by Directing Board to VOSA Strategy to re-plan delivery. • Recommending changes to plans should there be opportunities to exploit synergies across VOSA or in response to changes in the wider government agenda. • Approving investment in business cases and change proposals ≥£150,000 and <£500,000. This includes all new work, including estates. Where funding ≥ £500,000 is required the ICB will refer its recommendation to the Directing Board for approval. • Approving contract renewals ≥£150,000 and <£500,000. Where funding ≥ £500,000 is required the ICB will refer its recommendation to the Directing Board for approval. • Reviewing exception reports when a project is forecast to exceed tolerance levels or benefits delivery profiles.
Meetings:	<p>The ICB will meet sufficiently regularly to discharge its duties effectively. This is likely to be no less than 10 times per annum.</p> <p><u>Quorum:</u> A minimum of three CSL members plus two Executive Directors.</p> <p>The ICB may ask any or all of those in attendance but who are not members to withdraw to facilitate open and frank discussion of particular matters.</p>

Review:	The Directing Board will review these terms of reference annually as part of the review of the VOSA Corporate Governance Framework. Changes to these terms of reference must be agreed by the Directing Board.

BUSINESS PERFORMANCE BOARD
Terms of Reference

Purpose:	The Business Performance Board has been delegated authority by the Directing Board to ensure VOSA's operational, scheme management, project and programme activity is delivering VOSA's business plan and that performance targets are being met. The BPB also monitors benefit realisation for projects previously approved.
Membership:	<ul style="list-style-type: none"> • Two Executive Directors, one of whom will Chair the Board. • Four Corporate Senior Leaders (CSLs)*. <p>*Note: these BDB members cannot at the same time be members of the ICB.</p>
Attendees:	<ul style="list-style-type: none"> • There is an open invitation for the AO and/or any Executive or Non-Executive Director to attend the meeting. • Individuals presenting specific papers. • Invited observers • Board Secretary
Reporting:	<p>The BPB will provide a monthly activity report to the Directing Board making any recommendations and escalating risks and issues as appropriate.</p> <p>The BPB will annually review its own effectiveness and report the results of that review to the Directing Board.</p>
Responsibilities:	<p>The BPB has been delegated responsibility for:</p> <ul style="list-style-type: none"> • Monitoring and supervising VOSA's performance against objectives, targets and budgets, holding to account Directors and senior managers to ensure delivery. • Ensuring VOSA gets best value from the resources deployed. • Providing scrutiny of the delivery of VOSA's all projects and programmes, including project initiation following approval by the Investment & Change Board or Directing Board (as appropriate), monitoring of project risks and issues, project delivery within budget and project closure. • Tracking the delivery and realisation of project benefits and escalating any issues to the Directing Board. • Monitoring and scrutinising the management of Pillar groups, User groups and Product groups. • Scrutinising Post Implementation Reviews.
Meetings:	<p>The BPB will meet sufficiently regularly to discharge its duties effectively. This is likely to be no less than 10 times per annum.</p> <p><u>Quorum:</u> A minimum of three CSL members plus one Executive Director.</p> <p>The BPB may ask any or all of those in attendance but who are not members to withdraw to facilitate open and frank discussion of particular matters.</p>
Review:	The Directing Board will review these terms of reference annually as part of the review of the VOSA Corporate Governance Framework. Changes to these terms of reference must be agreed by the Directing Board.