



FCO Services Board

Terms of Reference

FCO SERVICES

Part of the Foreign and Commonwealth Office

1. Purpose

The Board, through the Chair, is responsible to the Minister for agreeing the FCO Services strategic agenda, setting corporate policy and monitoring performance at corporate level. The Board has no executive powers, but should provide support, advice and constructive challenge to the Chief Executive and his executive team.

2. Tasks

The Board supports the Chief Executive in maximising the organisation's performance. In so doing, the Board will advise the Chief Executive on the management and controls required, to ensure effective governance and control. This will involve:

- Agreeing FCO Services' strategic aims and objectives;
- Agreeing the broad allocation of financial and human resources;
- The establishment and embedding of standards and values;
- Maintaining a transparent system of prudent and effective controls;
- The assessment and management of risk; and
- Oversight of the process of change and performance, encouraging innovation, and where appropriate enterprise, to enhance FCO Services' capacity to deliver.

The Board will:

Receive regular reports from FCO Services on:

- Financial and management performance;
- Progress in relation to performance targets;
- The identification and management of risk; and
- Health & Safety.

Usually meet:

- 6 times each year.

In order to fulfil its role the Board will have access to funding:

- sufficient to meet remuneration and expenses of members;
- to meet the training needs of members; and
- to commission specialist external advice if required.

Requests for funding should be made to the Head of the Secretariat.

3. Membership

The membership will consist of:

- The Chair – Non-Executive Director;
- A minimum of a further two Non-Executive Directors (one acting as Chair of the Audit Committee);
- Chief Executive, FCO Services;
- The Executive Directors, FCO Services.

Members of the Board are required to register those interests and activities which could be interpreted as a conflict of interest to allow the FCO Services Board to consider whether these call into question the individual's suitability to be a Member of the Board and, if not, how it discusses specific matters on which a member might have a conflict of interest. The Head of the Secretariat will maintain the Register of Director's Interests. In the first instance S/he will ask Directors to register their interests upon appointment. Thereafter the Head of the Secretariat will ask Directors to update the Register annually. If, in the meantime, a Director's circumstances change s/he must contact the Head of the Secretariat immediately so that the register can be updated. Directors must declare a conflict of interest at meetings if a matter on which a Director has an interest is to be discussed.

4. Sub-Committees

The Board delegates authority to its sub-committees, to operate in a way that is consistent with corporate governance best practice and HM Treasury and Cabinet Office guidance. There is one sub-committee, that is the Audit Committee.

The Board will periodically receive briefings from its sub-committees

The Secretariat will be provided by FCO Services

Last agreed March 2011 – To be reviewed again March 2012

FCO SERVICES BOARD – SCHEDULE OF RESERVED DECISIONS

The Board will at least yearly approve the FCO Services’:

- Annual operating and capital expenditure budgets;
- Budget mid-term review, including programme expenditure;
- Main themes for its Annual Report and Accounts and the Statement on Internal Control;
- Board’s Terms of Reference and assess its performance against them.

And also:

- Agree the strategic framework and monitor progress on strategic priorities, formal performance targets, and key programmes and projects;
- Advise the Accounting Officer on those aspects of the FCO Services system of internal control that are outside the Audit Committee’s remit;
- Recommend to the Chief Executive/Accounting Officer that the previous year’s audited resource accounts be laid before Parliament.

In addition, the Board will regularly:

- Review corporate risks and risk management through the Corporate Risk Register;
- Monitor financial performance against budget and recommend that any necessary corrective action is taken;
- Monitor progress on market development and current high priority issues;
- Consider progress on diversity;
- Approve the minutes of its own meetings.

As appropriate, the Board will also expect to be consulted over:

- FCO Services’ HR Strategy;
- Major capital contracts or change programmes;
- Expenditure over £10 million or any project deemed high risk;
- Any other issues with major reputational implications.

Last agreed March 2011 – To be reviewed again March 2012