

REVIEW OF THE FSA BOARD AND COMMITTEES' TERMS OF REFERENCE AND STANDING ORDERS

Report by Heather Hancock

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1 SUMMARY

1.1 The Board is asked to:

- **Note** that the Business Committee's Terms of Reference remain unchanged since June 2015;
- **Note** that the Terms of Reference for the Audit and Risk Assurance Committee will be reviewed by the Committee, on behalf of the Board, in September 2016;
- **Agree** to abolish the Succession and Development Committee;
- **Agree** to update Terms of Reference for the Board;
- **Agree** to update Standing Orders for Board and Committee meetings; and
- **Note** the other improvements to the operation of the Board and increased opportunities for Board members to contribute, set out in section 4.

2 INTRODUCTION

2.1 The Food Standards Act 1999 provides that the Agency may regulate its own proceedings. In 2014 a Board Governance Steering Group proposed that Terms of Reference (ToR) for the Board be drawn up, along with ToR for the Business Board, which was renamed the Business Committee. ToR, and Standing Orders, are key tools for ensuring good governance and maintaining the FSA's reputation for sound decision making and transparency.

2.2 The current ToR for the Board, as agreed by the Board in June 2015 (**Annex A**), state that:

"The Board may delegate to Committees certain functions mainly associated with implementation and corporate governance of the Agency. Committees currently constituted under this power are the Business, Succession and Development and Audit and Risk Assurance Committees."

2.3 The ToR for the Board also state that the Board will:

"Establish such Committees as it sees fit. The Terms of Reference of such Committees will be agreed by the Board and reviewed annually. The Business Committee will advise the Board on the overall

disposition and allocation of resources in support of delivery of the strategy.”

- 2.4 This paper seeks to fulfil the obligation to annually review the ToR for the Committees of the Board, namely the Business, Succession and Development, and Audit and Risk Assurance Committees.
- 2.5 The current Standing Orders, which govern Board and Board Committee meetings, are attached at **Annex B**.
- 2.6 The Standing Orders state:
- “The Board shall review these Standing Orders from time to time to ensure their continued effectiveness.”
- 2.7 The Board participated in an Effectiveness Review in autumn 2015, and a new Chair took up post on 1 April 2016. The Chair has subsequently held consultations with individual Board members on the findings of the Effectiveness Review, and how to ensure the effective and efficient operation of the Board and to enable Board members to make their optimum personal contribution. The Standing Orders have been reviewed, and this paper sets out the changes it is proposed to make to them, and to the ToR for the Board. This paper also summarises a range of other operational changes to the Board flowing from these consultations.

3 DISCUSSION

Annual Review of Terms of Reference for Board Committees

Business Committee

- 3.1 The current ToR for the Business Committee were most recently updated and agreed by the Board in June 2015 (**Annex C**).
- 3.2 No changes to the Business Committee ToR are proposed at this time. They will remain as the Board agreed them in June 2015, and will be reviewed again in 2017.

Audit and Risk Assurance Committee (ARAC)

- 3.3 The current ToR for ARAC were most recently reviewed and updated by the Committee, on the Board's behalf, in September 2015 (**Annex D**).
- 3.4 The ARAC ToR are due to be reviewed by the Committee, on the Board's behalf, at the ARAC meeting on 20 September 2016. The Chair of ARAC will give an oral report of that meeting, including the Committee's discussion of the ARAC ToR, to the Board at its meeting on 21 September.

Succession and Development (S&D) Committee

- 3.5 The third Board Committee, currently in existence, is the S&D Committee and its ToR are attached at **Annex E**.
- 3.6 The S&D Committee has not met since January 2015, and prior to that, it had not met since November 2013. This reflects the fact that much of the business that might be considered by this Committee is, in effect, Chair and departmental business rather than for the Board as a whole. In addition, there are regular informal opportunities for Board Members to express a view on competency and skill gaps. The term of appointment for the Board member who served as the Chair of the S&D Committee came to an end as of 31 May 2016.
- 3.7 In light of the infrequency with which the S&D Committee has met over recent years, it is proposed to abolish the S&D Committee.
- 3.8 The proposed abolition of the S&D Committee would require one minor amendment, removal of reference to the S&D Committee, to the ToR for the Board, and the Standing Orders. The proposed revised ToR for the Board are attached at **Annex F**, and the proposed revised Standing Orders are at **Annex G**.

Terms of Reference for the Board

- 3.9 Taking into account feedback from the Board Effectiveness Review of autumn 2015, the Chair has requested that the full Executive team participate in discussions throughout the Board meeting. Many of the priorities on the Board's agenda, not least transforming the regulatory model, cover the whole of the Agency's business, and the presence of the full Executive at the Board meeting encourages shared accountability, improved decision making, and signals the one-FSA approach to stakeholders and staff.
- 3.10 The ToR for the Board would therefore be amended to read:
- “Members of the Executive shall also be required to attend and participate in Board meetings.”
- 3.11 The proposed revised ToR for the Board are attached at **Annex F**.

Review of Standing Orders

- 3.12 The Standing Orders for Board and Committee meetings were most recently reviewed in June 2015. The Board participated in an Effectiveness Review in September 2015, and a new Chair took up post on 1 April 2016. In light of these events, the Standing Orders have been reviewed, and it is proposed to make the following amends to them.
- 3.13 The current Standing Orders state:
- “Written Resolutions

26. A written resolution signed by at least three quarters of appointed Board members shall be as valid as if it had been agreed at a Board meeting. Such a resolution may consist of several documents in the same form each signed by one or more Board members including signatures evidenced by means of facsimile transmission or electronic signature.

27. In the event that one or more Board members is not present in the United Kingdom when a matter is to be determined by written resolution, they shall not be counted for the purpose of calculating the three quarters of Board members required to sign the written resolution for it to be effective.”

- 3.14 Taking into account modern ways of working remotely, and with better technology, it is now proposed to update the reference in paragraph 26 to “facsimile transmission”, and delete paragraph 27 so that being out of the UK no longer excludes a Board member’s participation in a written resolution.
- 3.15 Suggested revised Standing Orders for Board and Committee meetings are attached at **Annex G**. In summary, the changes to the current Standing Orders are:
- Removal of reference to the Succession and Development Committee
 - Update reference to “facsimile transmission” in paragraph 26
 - Deletion of paragraph 27

4 OPERATIONAL CHANGES

- 4.1 A number of other changes are in the process of being introduced to improve the efficiency and effectiveness of Board meetings, and to enhance the contribution of Board members. These have been developed following discussion with individual Board members, and after the Board Effectiveness Review in September 2015.
- 4.2 Reflecting the volume of business and the calendar for Board meetings, the Board will meet quarterly in 2017; Board meeting dates for 2017 have now been published. Each Board meeting will be paired with a Business Committee meeting. The new chairs of WFAC and NIFAC will be invited to revisit the meetings of those Committees to fit into this FSA meeting schedule. The frequency of Board meetings will be kept under review. Every year, the Board will meet in one of Wales or Northern Ireland, at least once in an English regional location, and in London. Other arrangements for Board meetings, including broadcast, public accessibility and our wider commitment to openness and transparency remain unchanged. In addition, it is hoped that by taking Board meetings out of London more regularly, there will be additional opportunities for Board members to meet the public and other stakeholders.
- 4.3 The Board will continue the practice of holding Board retreats. Two retreats will be scheduled each year. These are important training and development opportunities for Board members, enabling them to get up to speed on science behind FSA priorities, to build strong working relationships with the

Executive and other stakeholders, and to share their own experience and expertise.

- 4.4 The recruitment process for the new Chairs of NIFAC and WFAC included a specific expectation that these two Chairs would ensure that their Committees play a stronger role in engaging with the public, a vital feedback loop for the FSA. Ways of developing this ambition will be considered through the summer, to sit alongside the critical role the Welsh and Northern Ireland Committees play in providing a specific country perspective on the formal business of the FSA.
- 4.5 Board members already participate in the formal Committees of the Board, as explained earlier in this paper. Jim Smart chairs the ARAC Committee, making a substantial additional contribution in this role. We will continue with the current practice of working groups of external stakeholders and experts, and FSA personnel, also including Board members where appropriate. This was the case with the Triennial Review of the Scientific Advisory Committees, and with the Stow 1 group. Individual Board members from time to time may also be invited to take a special interest in cross-cutting themes for the FSA. None of these individual contributions imply delegating any powers or responsibilities of the Board. They are created on a case by case basis to improve decision making and connectivity. At present, these individual Board contributions include:
- Tim Bennett and Paul Williams as members of the Stow 2 working group on official controls in meat
 - Dave Brooks and Rosie Glazebrook taking a special interest in ‘a data-driven FSA’
 - Heather Peck taking a special interest in animal welfare
 - Ram Gidoomal taking a special interest in small businesses
 - Heather Hancock, Tim Bennett and Stewart Houston as members of the strategic reference group for the Regulating Our Future transformation programme
 - Board members appointed in Northern Ireland and in Wales taking a special interest in public engagement
- 4.6 The overall impact of these changes has no negative impact on the cost of the Board, and some savings may result. Further efficiencies continue to be sought including to the manual administrative process for managing Board and other Committee papers.

5 CONCLUSION AND RECOMMENDATIONS

- 5.1 The Board is asked to :
- **Note** that the Business Committee’s Terms of Reference remain unchanged since June 2015;

- **Note** that the Terms of Reference for the Audit and Risk Assurance Committee will be reviewed by the Committee, on behalf of the Board, in September 2016;
- **Agree** to abolish the Succession and Development Committee;
- **Agree** to update Terms of Reference for the Board;
- **Agree** to update Standing Orders for Board and Committee meetings; and
- **Note** the other improvements to the operation of the Board and increased opportunities for Board members to contribute, set out in section 4.

ANNEX A

TERMS OF REFERENCE FOR THE FSA BOARD

(AS AGREED AT THE OPEN BOARD MEETING ON WEDNESDAY 3 JUNE 2015)

- Purpose:** The Board is established by the legislation that established the FSA and constituted in line with the Food Standards Act 1999. It exists to represent the public interest and ensure that the organisation puts consumers first, to set strategy for the FSA, and to take major decisions on policy and key issues of principle, informing advice given to Ministers in Westminster and Wales and Northern Ireland. The Board has overall collective responsibility for the activities of the Food Standards Agency in England, Wales and Northern Ireland, and for ensuring that the FSA discharges its statutory duties to protect public health and consumers' interests in relation to food. The Board also, through the Chair, appoints the Chief Executive and holds her/him accountable, and supports the Chief Executive in the discharge of her/his role as Accounting Officer.
- Devolution:** The interests of Wales and Northern Ireland are taken into account in Board decisions and deliberations through advice from the Food Advisory Committees of these countries. Board papers are normally the subject of FAC consideration prior to their consideration in the Board.
- Delegation:** The Board may delegate to Committees certain functions mainly associated with implementation and corporate governance of the Agency. Committees currently constituted under this power are the Business, Succession and Development and Audit and Risk Assurance Committees.
- Transparency:** The Board meets in the open so that it is clear to interested parties and the public on what basis it has taken its decisions and what evidence it has taken into account in reaching them, unless there are particular reasons why something cannot be considered in public. For example, since the FSA leads for the UK Government in negotiations on matters of food and animal feed law in Europe, discussions on the approach to be taken in those negotiations are held in private. Committees of the Board will also be held in public or will have their minutes published-unless there are particular reasons why specific issues cannot be considered in public.
- Membership:** In line with the 1999 Food Standards Act the Board will consist of a Chair, Deputy Chair and between 6 and 10 other members of whom 1 shall be appointed by the Welsh Government and 1 shall be appointed by the Department of Health and Social

Services for Northern Ireland; the others shall be appointed by the Secretary of State.

Chairman: The Chair and Deputy Chair of the FSA are appointed by Ministers in England, Wales and Northern Ireland acting jointly.

Quorum: Five Board Members, of whom one to be one of the Members from Northern Ireland or Wales plus the Chair of the meeting.

Attendance: The Chief Executive, the Chief Scientific Adviser, Director of Policy and Chief Operating Officer shall join each meeting and other members of the Executive shall attend part or all of the meeting depending on the agenda, as agreed with the Chair.

Reporting: The Board will approve an annual report of our activities and performance which will be laid before the Westminster Parliament, the Welsh Government and the Northern Ireland Assembly.

Effectiveness: The Board will undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual members in line with best practice outlined in the UK Corporate Governance Code.

Meetings: The Board shall meet at least 4 times a year

As part of their meetings the members of the Board will meet three times each year in closed session to discuss issues related to governance, the performance of the Chief Executive, and the functioning of the relationship with the Executive from the perspective of the Board.

Responsibilities:

The Board will:

1. Set the strategic direction for the FSA within a framework of prudent and effective controls which enable risk to be assessed and managed.
2. Lay out the Agency's standards and values and be responsible for ensuring that the FSA's obligations to its stakeholders and the wider community are understood and met.
3. Establish such Committees as it sees fit. The Terms of Reference of such Committees will be agreed by the Board and reviewed annually. The Business Committee will advise the Board on the overall disposition and allocation of resources in support of delivery of the strategy.
4. Take decisions on key issues of principle and policy, including those on which advice is to be given to Ministers.

5. Receive regular reports from its Committees.
6. Appoint the Chief Executive in line with the relevant Civil Service rules and, through the Chair hold the Chief Executive accountable for the Agency's performance.
7. Approve the Annual Report.

ANNEX B

STANDING ORDERS FOR FOOD STANDARDS AGENCY BOARD MEETINGS

(As agreed at the Open Board meeting on Wednesday 3 June 2015)

Preamble

1. These Standing Orders apply to all Committees exercising powers or functions delegated by the Board (currently the Business, Audit and Risk Assurance, and Succession and Development Committees). They do not apply to the Scientific Advisory Committees.
2. Unless otherwise stated, any action required by these Standing Orders to be undertaken by the Chair may, in his absence, also be undertaken by the Deputy Chair.
3. Any reference to a Board meeting means an Open Board meeting and a Business Committee meeting, unless otherwise stated.

Date and Time of Meetings

4. The FSA Chair (Chair) shall, by Easter of each year, annually determine the dates, times and places of ordinary Open and Business Committee meetings for the year following, but the Board shall meet at least four times in each calendar year. The Chair may re-arrange the date, time and place of any ordinary Board meeting, convene an additional meeting or cancel any meeting where there are no matters for decision or discussion.
5. The locations for Board meetings shall be set so as to ensure that at least one meeting every year is held in Wales or Northern Ireland.
6. Any Board meeting may be conducted wholly or in part by electronic means including by video conference, an internet video facility or telephone conference.
7. The location of a meeting held by electronic means shall be deemed to take place where the largest group of those Board members participating is assembled or, if there is no group which is larger than any other group, where the Chair of the meeting is located.

Agenda

8. The Board Secretary shall send an agenda for each Board meeting by email and/or by post to every Board member at least ten clear working days before the date of the meeting or, in the event of urgency, at the earliest possible opportunity.

9. Failure to send or deliver an agenda to any Board member shall not invalidate the proceedings.
10. A copy of the agenda for each Board meeting shall be published on the FSA website at least three clear working days before the meeting.

Business to be transacted

11. The Board Secretary shall maintain a list of future agenda items for the year ahead. This list shall be compiled following discussion with the Chair, other Board members and the Chief Executive. However, the Board Secretary shall additionally consult the Chair and the Chief Executive on the business to be transacted at each meeting prior to the distribution of the agenda.
12. Any Board member may request the Chair to consider including an item on an agenda provided he or she has given at least 15 clear working days' notice before the meeting to the Chair or the Board Secretary.
13. Only the business specified in the agenda for the meeting may be transacted save that business of an urgent nature that is not included in the agenda may also be discussed and determined at any meeting.

Chairing of Meetings

14. Board meetings shall be chaired by the Chair of the FSA or, in his absence, the Deputy Chair. In the event that neither the Chair nor Deputy Chair is present, the Board members present may appoint one of their number to chair the meeting. The decision of the meeting Chair on any question of procedure raised at a meeting shall be final.

Quorum

15. The quorum for Board meetings shall be the Chair of the meeting plus five other Board members of whom one must be one of the members for Wales or Northern Ireland.
16. If there is no quorum within 30 minutes of the scheduled start of a Board meeting, or if the meeting becomes inquorate during the proceedings, the meeting shall be adjourned and the business postponed either to: a. a date, time and place fixed by the Chair of the meeting at the adjournment; or b. the next ordinary Board meeting.
17. Where Board members are not able to attend a meeting, they shall send their apologies in advance to the Board Secretariat. A Board member shall not be

absent from more than two consecutive meetings without the prior agreement of the Chair.

Interests to be declared at meetings

18. A Board member shall notify the Chair (or the Deputy Chair in the case of the Chair having an interest) in advance of the meeting of any interest that they may have in any agenda item and declare the nature of the interest at the meeting before the matter is discussed. In accordance with the provisions of the Code of Conduct, the Chair shall decide whether the Board member may remain present at the meeting for the discussion on that item and any decision thereon.
19. The Board Secretary or such other person present to take the minutes of the meeting shall record the declaration of interest, its nature and whether the individual left the room in the minutes of the meeting.

Minutes of Board meetings

20. The Board Secretary shall arrange for minutes to be prepared for all Board meetings. The minutes of a meeting shall be confirmed as a correct record at the next following Board meeting. When the next meeting is an additional meeting, the minutes may be confirmed at the next ordinary Board meeting. Once confirmed, the minutes are conclusive evidence of the decisions of the Board.
21. A copy of the minutes of Board meetings shall be published on the FSA website.

Decisions and voting

22. Decisions of the Board shall be taken by such method as the Chair chooses to ascertain the views of those present at the meeting. Where any matter is voted upon, it shall be decided by a majority of those present.
23. In the event that a vote is tied, the Chair shall have a second or casting vote.
24. Any Board member may request that his or her vote or abstention is recorded in the minutes.
25. The Board Secretary or such other person present to take the minutes of the meeting shall record all Board decisions in the minutes of the meeting.

Written Resolutions

26. A written resolution signed by at least three quarters of appointed Board members shall be as valid as if it had been agreed at a Board meeting. Such a resolution may consist of several documents in the same form each signed by one or more Board members including signatures evidenced by means of facsimile transmission or electronic signature.
27. In the event that one or more Board members is not present in the United Kingdom when a matter is to be determined by written resolution, they shall not be counted for the purpose of calculating the three quarters of Board members required to sign the written resolution for it to be effective.

Delegation of powers and inter-sessional work

28. The Board has authorised the Chair to discharge such powers of the Board as he deems necessary in order to deal with the business of the Agency between Board meetings. Where, in the opinion of the Chair, significant operational or other matters require approval by the Board between meetings papers shall be circulated for approval by written resolution. Where, in the opinion of the Chair, full Board consideration is not justified or when circumstances make it impractical or unnecessary to consult the Board collectively, the Chair shall report to the Board at the earliest opportunity on any action that he or she may take.

Variation or Suspension of these Standing Orders

29. The Board shall review these Standing Orders from time to time to ensure their continued effectiveness.
30. These Standing Orders shall not be varied or suspended unless a majority of those present at the meeting where the matter is considered so agree.

COMMITTEES OF THE BOARD WHICH EXERCISE POWERS OR FUNCTIONS ON ITS BEHALF

Application to Committees - General

31. Standing Orders 7, 9, 10, 11, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 26 and 27 shall apply to Committees with any necessary modifications and subject to the provisions of Standing Orders 32 to 37 below.

Date and Time of Meetings

32. Each Committee shall annually determine the dates, times and places of its ordinary meetings for the year ahead, but shall meet at least once each year or on

such number of occasions as the Board might specify in terms of reference for each Committee.

33. The Committee Chair may re-arrange the date, time and place of any ordinary meeting, convene an additional meeting or cancel any meeting where there are no matters for decision.

Agenda

34. The Board Secretariat shall send an agenda for each Committee meeting by email and/ or by post to every Committee member at least five clear working days before the date of the meeting or, in the event of urgency, at the earliest possible opportunity.

Chairing of Meetings

35. The Chair of each Committee shall be appointed by the FSA Chair for such term as he may determine, but ordinarily to run concurrent with the remainder of a Board member's term of office.
36. In the absence of the Chair, the other Committee members present shall appoint one of their number to chair the meeting.
37. Business Committee meetings shall be chaired by the Chair of the FSA or, in his absence, the Deputy Chair. In the event that neither the Chair nor Deputy Chair is present, the Board members present may appoint one of their number to chair the meeting. The decision of the meeting Chair on any question of procedure raised at a meeting shall be final.

Membership

38. Membership of each Committee shall be in accordance with the terms of reference for each Committee.
39. All members of the Board are Members of the Business Committee. The Chief Executive and members of the Executive Team are also members of the Business Committee up to a number equivalent to the Non-Executive members of the Board excluding the Chair.

Quorum

40. Unless otherwise stated the quorum for any Committee meeting shall be a minimum of three or such greater number as the Board may state in the terms of reference for the Committee.

41. The quorum for the Business Committee shall be five Non-Executive members, of whom one to be one of the members from Northern Ireland or Wales plus the Chair of the meeting, plus three Executive Team members including the Chief Executive or their nominated deputy.

Definitions

Agenda – means the reports or papers for the meeting together with the cover sheet listing the items for consideration at a meeting

Clear Working Days – excludes the day on which the Agenda is distributed, the day of the meeting, Saturdays, Sundays and Public Holidays.

ANNEX C

TERMS OF REFERENCE FOR THE FSA BUSINESS COMMITTEE

(AS AGREED AT THE OPEN BOARD MEETING ON WEDNESDAY 3 JUNE 2015)

Purpose: The Business Committee is a committee to which the FSA Board has delegated functions as detailed below. It exists to provide appropriate high level oversight of financial and operational matters at Board level and support the translation of policy into effective results.

Transparency: It meets in the open so that it is clear to interested parties and the public on what basis it has taken its decisions and what evidence it has taken into account in reaching them. There are some issues that need to be discussed in private, because they relate to issues that are commercial in confidence, are the subject of live negotiations in which the public interest could be adversely affected, or relate to individuals.

Membership: All members of the Board are members of the Business Committee. The Chief Executive and members of the Executive Team are also members of the Business Committee up to a number equivalent to the Non-Executive members of the Board excluding the Chair. The Chief Executive will be responsible for determining which members of the Executive are members of the Business Committee.

Chair: The Chair of the FSA.

Quorum: Five Non Executive Board Members, of whom one to be one of the Members from Northern Ireland or Wales plus the Chair of the meeting, plus three Executive Team members including the Chief Executive or their nominated deputy.

Reporting: The Business Committee will publish its minutes.

Meetings: The Business Committee shall meet at least 4 times a year.

Responsibilities:

The Business Committee will on behalf of the Board:

1. Scrutinise the financial and other performance information relating to the FSA and advise the Chief Executive in the discharge of the Accounting Officer responsibilities
2. Consider and advise on strategic risks

3. Approve the annual business plan and maintain oversight of major financial decisions in line with that plan
4. In private, consider confidential matters relating to the position to be adopted on behalf of the UK in international discussions concerning food and animal feed law
5. Consider such other matters as may from time to time be delegated to the Business Committee by the main Board.

The Chair may decide that specific issues must be remitted to the Board for decision.

ANNEX D

Terms of Reference for the FSA Audit & Risk Assurance Committee

Purpose

The Audit and Risk Assurance Committee is a Committee of the FSA Board and is responsible for reviewing, in a non-executive capacity, the comprehensiveness and reliability of assurances on governance, risk management and the control environment. It is also responsible for reviewing the integrity of financial statements and the annual report.

Membership

A minimum of five Members of the FSA Board appointed by the FSA Chair under delegated powers following consultation with the Committee Chair. At least one of those appointed will be a Board Member for Wales or Northern Ireland. The term of appointment will normally be coterminous with an individual's term of appointment to the FSA Board and will automatically cease if an individual ceases to be a Board Member. At least one of the Committee members should have recent and relevant financial experience.

Committee Chair

Appointed from the membership of the Committee by the Chair of the FSA under delegated powers. The term of appointment will normally be coterminous with an individual's term of appointment to the FSA Board.

Co-option

The Committee may co-opt additional members (whether members of the FSA Board or not) for a period of up to one year to provide specialist skills, knowledge or experience. Co-opted members will have a right to speak, but not vote. Co-opted members will not be included in any calculation of the quorum.

Quorum

Three Non-Executive Board Members.

Attendance

The Chief Executive, as Accounting Officer, the Director of Finance and Strategic Planning, the Head of Planning, Performance & Change and the Head of Internal Audit, and a representative of the External Auditors (National Audit Office) would normally be invited to attend.

Directors and other officials will be invited to attend as required.

Reporting

The Audit & Risk Assurance Committee Chair will provide the Chair of the FSA and the Board with an oral update on the key elements of Committee meetings. The Audit & Risk Assurance Committee will report formally in writing to the Board, annually, to support the finalisation of the accounts and the Governance Statement and to update the Board on the work of the Committee, Internal and External Audit and any areas requiring specific attention.

Meetings

The Audit & Risk Assurance Committee will meet at least four times a year. The Chair of the Committee will convene additional meetings as necessary. The Committee has the right to sit privately without any non-members present for all or part of a meeting.

Additionally the members of the Committee will meet with the Head of Internal Audit and, separately, the External Auditors, annually, in closed meetings when the efficacy of the processes, trust, co-operation and any other issues can be discussed and future action agreed.

The FSA Chair, the Board or the Accounting Officer may ask the Audit and Risk Assurance Committee to convene further meetings to discuss particular issues on which they want the Committee's advice.

Responsibilities

The Audit & Risk Assurance Committee will advise the FSA Board and Chief Executive on:

1. the strategic processes for risk management, **including reviewing the risk profile and register and considering the Agency's risk appetite;**
2. **the high level control and governance framework and the effectiveness of its operation in practice;**
3. the contents of the Governance Statement;
4. the accounting policies, the accounts, and the annual report of the FSA, including the **judgements used in producing the accounts, the adequacy of disclosures, 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;
5. **the effectiveness of the design and operation of financial systems and controls;**
6. the planned activity and results of both internal and external audit;

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7. **the resourcing and effectiveness of the Internal Audit function;**
 8. the adequacy of the management response to issues identified by audit activity, including external audit management letters;
 9. assurances relating to the corporate governance requirements for the organisation;
 10. proposals for tendering for either Internal or External Audit services or for the purchase of non-audit services from contractors who provide audit services;
 11. anti-fraud policies and whistle-blowing processes, and arrangements for special investigations; and
 12. the Committee's effectiveness having reviewed its own performance, constitution and terms of reference and recommending any changes it considers necessary.

Information Requirements

The Audit & Risk Assurance Committee will be provided with, where appropriate:

1. any changes to the organisation's Corporate Risk Register that are relevant to the responsibilities of the Committee;
2. The risk management strategy
3. Management assurance reports, and report on the management of major incidents, 'near misses' and lessons learned;
4. progress reports from the Head of Internal Audit summarising:
 - a. work performed (and a comparison with work planned)
 - b. key issues emerging from Internal Audit work
 - c. management **action in** response to **issues identified and agreed**
 - d. changes to the Internal Audit Plans
 - e. any resourcing issues affecting the delivery of Internal Audit objectives
5. progress reports from the External Audit representatives summarising work done and emerging findings;

6. external assurance and compliance reports in relation to the FSA's activities;
7. Internal Audit Strategies and annual plans;
8. the Head of Internal Audit's Annual Opinion and Report;
9. Quality Assurance reports on the internal audit function;
10. the draft accounts of the organisation;
11. the draft Governance Statement
12. any changes to accounting policies;
13. proposals to tender for audit functions;
14. summary of findings of every Internal Audit report;
15. external audit's management letter; and
16. a report on cooperation between the FSA auditors and external auditors.

The Audit & Risk Assurance Committee will work with the FSA's Executive Management Team to ensure that the Board can be confident that risk management processes, content, mitigating and recovery actions are appropriate and correctly resourced.

Notes

1. The Chair of the Audit & Risk Assurance Committee will have free and confidential access to the Chair and Chief Executive of the FSA whenever appropriate.
2. The Head of Internal Audit and the representatives of External Audit will have free and confidential access to the Chair of the Committee.
3. The Committee may procure specialist ad-hoc advice at the expense of the FSA, subject to the cost being agreed by the Chief Executive as Accounting Officer.

AGREED September 2015

ANNEX E

Succession and Development Committee

The Succession and Development Committee advises on all matters relating to the recruitment of the Chair, Deputy Chair, Board Members and the Chief Executive. It is also responsible for the recruitment and selection procedures for new appointments to the Board, the Food Advisory Committees and for the Chief Executive and the effective induction and development of Board Members.

Terms of reference (Updated 19 May 2011)

Purpose: The Succession and Development Committee is a Committee of the FSA Board and advises on all matters relating to the recruitment of the Chair, Deputy Chair, Board Members and the Chief Executive. It is also responsible for the recruitment and selection procedures for new appointments to the Board, the Food Advisory Committees and for the Chief Executive and the effective induction and development of Board Members.

Membership: Five Members of the FSA Board appointed by the FSA Chair under delegated powers following consultation with the Committee Chair. At least one of those appointed will be a Board Member for Scotland, Wales or Northern Ireland. The term of appointment will normally be coterminous with an individual's term of appointment to the FSA Board.

Chairman: Appointed from the membership of the Committee by the Chair of the FSA under delegated powers. The term of appointment will normally be coterminous with an individual's term of appointment to the FSA Board.

Co-option: The Committee may co-opt additional members (whether members of the FSA Board or not) for a period of up to one year to provide specialist skills, knowledge or experience. Co-opted members will have a right to speak, but not vote. Co-opted members will not be included in any calculation of the quorum.

Quorum: Three.

Attendance: The FSA Chair will have a standing invitation to attend meetings. The Chief Executive will attend all meetings subject to the Chair's agreement. Other officials will be invited to attend as required.

Reporting: The Succession and Development Committee will report to the Board annually.

Meetings: The Chair of the Succession and Development Committee will convene meetings as necessary.

Responsibilities:

The Succession and Development Committee will advise the FSA Board who will in turn make recommendations to Ministers on:

1. recruitment to the post of Chair including the role description and person specification for the post;
2. recruitment to the post of Chief Executive including the job description and person specification for the post; and
3. remuneration of the posts of Chair, Deputy Chair and Board Members and the Chair and ordinary members of Food Advisory Committees.

The Succession and Development Committee will advise the FSA Board on:

1. the Committee's effectiveness having reviewed its performance, constitution and terms of reference and recommending any changes it considers necessary.

The Succession and Development Committee will advise the FSA Chair on:

1. recruitment to the posts of FSA Deputy Chair and Board Members including the role description and person specification for these posts;
2. the current and required future skills, knowledge and experience for the Board; and
3. the arrangements for reviewing the performance of Board Members.

The Succession and Development Committee will consider and, where appropriate, may agree:

1. the recruitment and selection procedures for new appointments to the Board, the Food Advisory Committees and for the Chief Executive; and
2. arrangements for the induction, training and development of Board Members.

Notes:

1. The Committee will play no part in the consideration or selection of individual candidates for appointment.

ANNEX F

TERMS OF REFERENCE FOR THE FSA BOARD

(AS AGREED AT THE OPEN BOARD MEETING ON WEDNESDAY 3 JUNE 2015)

- Purpose:** The Board is established by the legislation that established the FSA and constituted in line with the Food Standards Act 1999. It exists to represent the public interest and ensure that the organisation puts consumers first, to set strategy for the FSA, and to take major decisions on policy and key issues of principle, informing advice given to Ministers in Westminster and Wales and Northern Ireland. The Board has overall collective responsibility for the activities of the Food Standards Agency in England, Wales and Northern Ireland, and for ensuring that the FSA discharges its statutory duties to protect public health and consumers' interests in relation to food. The Board also, through the Chair, appoints the Chief Executive and holds her/him accountable, and supports the Chief Executive in the discharge of her/his role as Accounting Officer.
- Devolution:** The interests of Wales and Northern Ireland are taken into account in Board decisions and deliberations through advice from the Food Advisory Committees of these countries. Board papers are normally the subject of FAC consideration prior to their consideration in the Board.
- Delegation:** The Board may delegate to Committees certain functions mainly associated with implementation and corporate governance of the Agency. Committees currently constituted under this power are the Business, ~~Succession and Development~~ and Audit and Risk Assurance Committees.
- Transparency:** The Board meets in the open so that it is clear to interested parties and the public on what basis it has taken its decisions and what evidence it has taken into account in reaching them, unless there are particular reasons why something cannot be considered in public. For example, since the FSA leads for the UK Government in negotiations on matters of food and animal feed law in Europe, discussions on the approach to be taken in those negotiations are held in private. Committees of the Board will also be held in public or will have their minutes published unless there are particular reasons why specific issues cannot be considered in public.
- Membership:** In line with the 1999 Food Standards Act the Board will consist of a Chair, Deputy Chair and between 6 and 10 other members of whom 1 shall be appointed by the Welsh Government and 1 shall be appointed by the Department of Health and Social

Services for Northern Ireland; the others shall be appointed by the Secretary of State.

Chairman: The Chair and Deputy Chair of the FSA are appointed by Ministers in England, Wales and Northern Ireland acting jointly.

Quorum: Five Board Members, of whom one to be one of the Members from Northern Ireland or Wales plus the Chair of the meeting.

Attendance: ~~The Chief Executive, the Chief Scientific Adviser, Director of Policy and Chief Operating Officer shall join each meeting and other members of the Executive shall also be required to attend and participate in Board meetings. part or all of the meeting depending on the agenda, as agreed with the Chair.~~

Reporting: The Board will approve an annual report of our activities and performance which will be laid before the Westminster Parliament, the Welsh Government and the Northern Ireland Assembly.

Effectiveness: The Board will undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual members in line with best practice outlined in the UK Corporate Governance Code.

Meetings: The Board shall meet at least 4 times a year.

As part of their meetings the members of the Board will meet three times each year in closed session to discuss issues related to governance, the performance of the Chief Executive, and the functioning of the relationship with the Executive from the perspective of the Board.

Responsibilities:

The Board will:

1. Set the strategic direction for the FSA within a framework of prudent and effective controls which enable risk to be assessed and managed.
2. Lay out the Agency's standards and values and be responsible for ensuring that the FSA's obligations to its stakeholders and the wider community are understood and met.
3. Establish such Committees as it sees fit. The Terms of Reference of such Committees will be agreed by the Board and reviewed annually. The Business Committee will advise the Board on the overall disposition and allocation of resources in support of delivery of the strategy.

4. Take decisions on key issues of principle and policy, including those on which advice is to be given to Ministers.
5. Receive regular reports from its Committees.
6. Appoint the Chief Executive in line with the relevant Civil Service rules and, through the Chair hold the Chief Executive accountable for the Agency's performance.
7. Approve the Annual Report.

ANNEX G

STANDING ORDERS FOR FOOD STANDARDS AGENCY BOARD MEETINGS

(As agreed at the Open Board meeting on Wednesday 3 June 2015)

Preamble

1. These Standing Orders apply to all Committees exercising powers or functions delegated by the Board (currently the Business and, Audit and Risk Assurance, ~~and Succession and Development~~ Committees). They do not apply to the Scientific Advisory Committees.
2. Unless otherwise stated, any action required by these Standing Orders to be undertaken by the Chair may, in his/her absence, also be undertaken by the Deputy Chair.
3. Any reference to a Board meeting means an Open Board meeting and a Business Committee meeting, unless otherwise stated.

Date and Time of Meetings

4. The FSA Chair (Chair) shall, by Easter of each year, annually determine the dates, times and places of ordinary Open and Business Committee meetings for the year following, but the Board shall meet at least four times in each calendar year. The Chair may re-arrange the date, time and place of any ordinary Board meeting, convene an additional meeting or cancel any meeting where there are no matters for decision or discussion.
5. The locations for Board meetings shall be set so as to ensure that at least one meeting every year is held in Wales or Northern Ireland.
6. Any Board meeting may be conducted wholly or in part by electronic means including by video conference, an internet video facility or telephone conference.
7. The location of a meeting held by electronic means shall be deemed to take place where the largest group of those Board members participating is assembled or, if there is no group which is larger than any other group, where the Chair of the meeting is located.

Agenda

8. The Board Secretary shall send an agenda for each Board meeting by email and/or by post to every Board member at least ten clear working days before the date of the meeting or, in the event of urgency, at the earliest possible opportunity.

9. Failure to send or deliver an agenda to any Board member shall not invalidate the proceedings.
10. A copy of the agenda for each Board meeting shall be published on the FSA website at least three clear working days before the meeting.

Business to be transacted

11. The Board Secretary shall maintain a list of future agenda items for the year ahead. This list shall be compiled following discussion with the Chair, other Board members and the Chief Executive. However, the Board Secretary shall additionally consult the Chair and the Chief Executive on the business to be transacted at each meeting prior to the distribution of the agenda.
12. Any Board member may request the Chair to consider including an item on an agenda provided he or she has given at least 15 clear working days' notice before the meeting to the Chair or the Board Secretary.
13. Only the business specified in the agenda for the meeting may be transacted save that business of an urgent nature that is not included in the agenda may also be discussed and determined at any meeting.

Chairing of Meetings

14. Board meetings shall be chaired by the Chair of the FSA or, in his/[her](#) absence, the Deputy Chair. In the event that neither the Chair nor Deputy Chair is present, the Board members present may appoint one of their number to chair the meeting. The decision of the meeting Chair on any question of procedure raised at a meeting shall be final.

Quorum

15. The quorum for Board meetings shall be the Chair of the meeting plus five other Board members of whom one must be one of the members for Wales or Northern Ireland.
16. If there is no quorum within 30 minutes of the scheduled start of a Board meeting, or if the meeting becomes inquorate during the proceedings, the meeting shall be adjourned and the business postponed either to: a. a date, time and place fixed by the Chair of the meeting at the adjournment; or b. the next ordinary Board meeting.
17. Where Board members are not able to attend a meeting, they shall send their apologies in advance to the Board Secretariat. A Board member shall not be

absent from more than two consecutive meetings without the prior agreement of the Chair.

Interests to be declared at meetings

18. A Board member shall notify the Chair (or the Deputy Chair in the case of the Chair having an interest) in advance of the meeting of any interest that they may have in any agenda item and declare the nature of the interest at the meeting before the matter is discussed. In accordance with the provisions of the Code of Conduct, the Chair shall decide whether the Board member may remain present at the meeting for the discussion on that item and any decision thereon.
19. The Board Secretary or such other person present to take the minutes of the meeting shall record the declaration of interest, its nature and whether the individual left the room in the minutes of the meeting.

Minutes of Board meetings

20. The Board Secretary shall arrange for minutes to be prepared for all Board meetings. The minutes of a meeting shall be confirmed as a correct record at the next following Board meeting. When the next meeting is an additional meeting, the minutes may be confirmed at the next ordinary Board meeting. Once confirmed, the minutes are conclusive evidence of the decisions of the Board.
21. A copy of the minutes of Board meetings shall be published on the FSA website.

Decisions and voting

22. Decisions of the Board shall be taken by such method as the Chair chooses to ascertain the views of those present at the meeting. Where any matter is voted upon, it shall be decided by a majority of those present.
23. In the event that a vote is tied, the Chair shall have a second or casting vote.
24. Any Board member may request that his or her vote or abstention is recorded in the minutes.
25. The Board Secretary or such other person present to take the minutes of the meeting shall record all Board decisions in the minutes of the meeting.

Written Resolutions

26. A written resolution signed by at least three quarters of appointed Board members shall be as valid as if it had been agreed at a Board meeting. Such a resolution may consist of several documents in the same form each signed by one or more Board members including ~~signatures evidenced by means of facsimile transmission or~~ electronic signatures.

~~27. In the event that one or more Board members is not present in the United Kingdom when a matter is to be determined by written resolution, they shall not be counted for the purpose of calculating the three quarters of Board members required to sign the written resolution for it to be effective.~~

Delegation of powers and inter-sessional work

~~28.~~27. The Board has authorised the Chair to discharge such powers of the Board as he/she deems necessary in order to deal with the business of the Agency between Board meetings. Where, in the opinion of the Chair, significant operational or other matters require approval by the Board between meetings papers shall be circulated for approval by written resolution. Where, in the opinion of the Chair, full Board consideration is not justified or when circumstances make it impractical or unnecessary to consult the Board collectively, the Chair shall report to the Board at the earliest opportunity on any action that he or she may take.

Variation or Suspension of these Standing Orders

~~29.~~28. The Board shall review these Standing Orders from time to time to ensure their continued effectiveness.

~~30.~~29. These Standing Orders shall not be varied or suspended unless a majority of those present at the meeting where the matter is considered so agree.

COMMITTEES OF THE BOARD WHICH EXERCISE POWERS OR FUNCTIONS ON ITS BEHALF

Application to Committees - General

~~31.~~30. Standing Orders 7, 9, 10, 11, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25 and, 26 ~~and 27~~ shall apply to Committees with any necessary modifications and subject to the provisions of Standing Orders ~~31~~2 to ~~36~~7 below.

Date and Time of Meetings

~~32.~~31. Each Committee shall annually determine the dates, times and places of its ordinary meetings for the year ahead, but shall meet at least once each year or on such number of occasions as the Board might specify in terms of reference for each Committee.

~~33.~~32. The Committee Chair may re-arrange the date, time and place of any ordinary meeting, convene an additional meeting or cancel any meeting where there are no matters for decision.

Agenda

~~34.~~33. The Board Secretariat shall send an agenda for each Committee meeting by email and/ or by post to every Committee member at least five clear working days before the date of the meeting or, in the event of urgency, at the earliest possible opportunity.

Chairing of Meetings

~~35.~~34. The Chair of each Committee shall be appointed by the FSA Chair for such term as he/she may determine, but ordinarily to run concurrent with the remainder of a Board member's term of office.

~~36.~~35. In the absence of the Chair, the other Committee members present shall appoint one of their number to chair the meeting.

~~37.~~36. Business Committee meetings shall be chaired by the Chair of the FSA or, in his/her absence, the Deputy Chair. In the event that neither the Chair nor Deputy Chair is present, the Board members present may appoint one of their number to chair the meeting. The decision of the meeting Chair on any question of procedure raised at a meeting shall be final.

Membership

~~38.~~37. Membership of each Committee shall be in accordance with the terms of reference for each Committee.

~~39.~~38. All members of the Board are Members of the Business Committee. The Chief Executive and members of the Executive Team are also members of the Business Committee up to a number equivalent to the Non-Executive members of the Board excluding the Chair.

Quorum

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- ~~40.39.~~ Unless otherwise stated the quorum for any Committee meeting shall be a minimum of three or such greater number as the Board may state in the terms of reference for the Committee.
- ~~41.40.~~ The quorum for the Business Committee shall be five Non-Executive members, of whom one to be one of the members from Northern Ireland or Wales plus the Chair of the meeting, plus three Executive Team members including the Chief Executive or their nominated deputy.

Definitions

Agenda – means the reports or papers for the meeting together with the cover sheet listing the items for consideration at a meeting

Clear Working Days – excludes the day on which the Agenda is distributed, the day of the meeting, Saturdays, Sundays and Public Holidays.