

Date: 11th July 2001
Time: 2:00 pm – 5.30 pm
Venue: Committee Room 1 National Assembly Building

TERMS OF REFERENCE FOR THE QUINQUENNIAL REVIEW OF THE WALES TOURIST BOARD

Purpose

1. To present for Committee consideration the proposed terms of reference for the Quinquennial Review of the Wales Tourist Board that will take place this year. Standing Order 9.7 provides that the subject committees shall keep under review the discharge of public functions in its field by public bodies. Following receipt of the Committee's views, the Deputy First Minister & Minister for Economic Development and the Minister for Finance, Local Government & Communities shall agree the final terms of reference and commission the review.

Recommendation

2. That the Committee comments on the proposed terms of reference at Annex

Background

3. The Wales Tourist Board is an executive Assembly Sponsored Public Body (ASPB) established in 1969 under the provisions of the Development of Tourism Act 1969 to promote the provision and improvement of tourist amenities and facilities. In 1992, the Board assumed powers to supplement the work of the British Tourist Authority to promote Wales abroad.
4. The Wales Tourist Board is financed primarily by grant-in-aid from the National Assembly for Wales, £20.086 million in 2001/2002.
5. The Finance Minister made a statement to plenary on 10th May 2000 on the policy and programme for the review of executive Assembly Sponsored Public Bodies. The policy is that:
 - subject to the legal frameworks concerned, 'quangos' should only be retained where they are the most appropriate and cost-effective means of carrying out the functions concerned;

- where a sponsored body or agency is the right solution, the requirement must be to ensure that the body is properly accountable to the Assembly and the public; that it is making good use of public funds and conducting its business in line with the Assembly's values and principles; and that it is contributing as appropriate to the Assembly's vision for Wales;
- As well as the question of whether or not there is still a need for the functions of the body, the Quinquennial Review will examine accountability, strategic effectiveness, financial management and means of securing continuous improvement.

6. Reviews will be conducted in accordance with published Quinquennial Review guidelines and will involve inputs from partners, customers and staff as well as the senior management and the board of the sponsored body.

7. In her statement, the Finance Minister gave a commitment that the relevant subject committee will be consulted on the terms of reference for each review and will be invited to comment on the reviewer's draft report before a final version is submitted to Cabinet.

Consideration

8. The Quinquennial Review of the Wales Tourist Board is scheduled to take place in 2001-2002. It is planned that the review will start in September with a view to its completion by next April. The proposed terms of reference for the review at Annex 1, which have been discussed with the Wales Tourist Board, take account of the policy outlined in paragraph 5 and also a number of issues specific to the WTB.
9. It is proposed that the review will be undertaken by Mr Jonathan Price, a member of the Assembly's Economic Advice Division. Mr Price undertook the first stage of the WDA quinquennial review last year.

Financial implications

10. The costs of conducting the review will be met from within the Assembly's administrative cost budget. The cost of conducting the review is provisionally estimated at £40,000

Action for subject committee

11. The Committee is asked to give its views on the proposed terms of reference for the Quinquennial Review of the Wales Tourist Board.

Contact Point

12. Financial Planning Division

WALES TOURIST BOARD (WTB)

QUINQUENNIAL REVIEW - TERMS OF REFERENCE (draft)

Introduction

The Quinquennial Review of the Wales Tourist Board (WTB) is being undertaken in the context of the Assembly's published Quinquennial Review Guidelines. The Guidelines set out the process for conducting the reviews. This includes self-assessment by the sponsored body, discussion with Members of the Board and senior managers, inviting views from major stakeholders, including staff and their trade unions, partners and customers.

The Terms of Reference sets out the key questions which the Review has to address. The issues common to all reviews are identified in the Guidelines but the Terms of Reference also take account of issues specific to the WTB.

The context for the Review is the Assembly's strategic plan, ***betterwales.com*** and related economic documents including the ERDF Single Programming Documents and the draft National Economic Development Strategy.

The key output of the Review is a single report in three parts.

Part 1: Functions

In the light of the statutory duties of the WTB, as set out in the Tourism Acts of 1969 and 1992, the objectives of the National Assembly and models of good practice elsewhere in the UK or EU, is there a continuing need for all the functions of the WTB and, if so, is the current organisational framework for delivering those functions the most appropriate?

- What is the legal framework governing the WTB?
- Are the functions of the WTB still necessary?
- Do they need to be carried out by an Assembly Sponsored Public Body – are other options for undertaking the functions likely to be more effective?
- Is there a need to rationalise functions between the WTB and other bodies engaged in supporting businesses within the tourist industry in Wales, such as the local authorities, the WDA or other bodies?
- In particular, is there a case for reviewing the distribution of functions between the WTB and the British Tourist Authority?

Part 2: Strategic effectiveness

Are there improvements which should be made to the way in which the WTB's functions are delivered, taking account of its statutory duties and the values and objectives of the National Assembly, and the functioning of its relationship with the National Assembly and other public bodies? This should take account of any independent studies, for example by the National Audit Office and the other inputs set out in the Quinquennial Review guidelines.

- What have been the main strategic achievements of the WTB since 1994; to what extent has it met its objectives; what has been its performance against targets; how does its performance benchmark in terms of outcomes and operational effectiveness with that of comparable bodies?
- How effectively has the WTB responded to the creation of the National Assembly? What form should the relationship between the Assembly and WTB take?
- How effective is the strategic planning relationship between the Assembly and the WTB, including the Assembly's strategic guidance and the WTB's arrangements for reflecting the Assembly's strategic objectives, guiding themes and values (including equal opportunities, tackling social disadvantage and sustainable development) in its planning and conduct of business? How might the strategic relationship be improved?
- How effective is the WTB's corporate planning process in providing clear strategic direction and practical focus; reflecting the Assembly's strategic objectives and the WTB's statutory functions; setting targets; allocating resources to objectives and priorities?
- Does the WTB have a robust evidential basis for its activities, and does it engage in appropriate research?
- Are the main strategic performance measures of the WTB fit for purpose in relation to its objectives and are they effective guides to performance?
- Does the WTB have an appropriate management structure; how effective is the relationship between the Board and senior managers in setting strategic direction; is there an effective mutual understanding of their respective roles in setting corporate objectives and monitoring their implementation; how might the relationship be improved?
- How effective is the WTB's partnership working; is it responsive to its partners and customers; does it communicate effectively and clearly with its major stakeholders; does it have their confidence as a body with which they can do business; are there ways in which the WTB's management of these relationships might be strengthened?
- In particular, how effective is the WTB's relationship with the BTA, and do the existing arrangements ensure that the Assembly's strategic objectives are reflected in the activities of the BTA?
- How effective is the relationship with the tourism industry? Has the recent restructuring been carried out effectively and with the confidence of stakeholders?
- How effective is the WTB in marketing Wales both inside and outside the UK, and are its activities in this area consistent with the strategies adopted by other bodies with responsibility for economic development in Wales?

- Is the WTB making appropriate use of new technology?
- How effective has the WTB been in addressing new market opportunities? ? How has it responded to unexpected changes in circumstances, for example as a result of the outbreak of Foot and Mouth Disease?
- Are reporting arrangements adequate between the WTB and the National Assembly; does the WTB need different freedoms and flexibilities; is there sufficient public accountability for the WTB's work?

Part 3: Corporate governance review

Is the WTB managing its finances effectively and in accordance with the requirements of regularity, propriety and value-for-money? What progress has the WTB made in improving operational efficiency?

- Do the financial and managerial control arrangements between the WTB and National Assembly meet established requirements?
- Do internal and external audit reports provide confidence that the WTB is managing its finances in line with the Assembly's expectations of public bodies?
- Is the WTB managing its finances and assets effectively; are value-for-money issues, including policy and programme and project evaluations, being rigorously pursued?
- Do the WTB's procurement practices fulfil the expectations on public bodies?
- Are the WTB's running costs and staffing levels being controlled and scrutinised?
- Can useful comparisons be made with the operating costs of similar bodies?
- Does the WTB have good arrangements for monitoring the quality and efficiency of its service delivery?
- Does the WTB have a good track record and robust plans for improving efficiency; how has it responded to previous reviews of its operations, including the FMPR carried out in 1992-93?