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| Title: | Constitution of the Council (Part 3 Ib: Scrutiny (Audit & Value for Money Council Services) Committee) |
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Adopted by Full Council on 18th May 2018

FUNCTIONS AND PROCEDURES OF THE SCRUTINY (AUDIT & VALUE FOR MONEY COUNCIL SERVICES) COMMITTEE

1 FUNCTIONS OF THE COMMITTEE

ONLY FULL COUNCIL CAN AMEND THE FUNCTIONS OF THE COMMITTEE

- 1.1 The Committee is an overview and scrutiny committee as defined in the Local Government Act 2000.
- 1.2 The following powers and functions will be the responsibility of the Committee.

STATEMENT OF PURPOSE

- 1.3 The Committee shall discharge the overview and scrutiny function under Section 9F of the Local Government Act 2000 including any statutory functions of a Crime and Disorder Committee. The Committee shall also provide independent assurance of the adequacy of the risk management framework and the internal control environment. It provides independent review of the authority's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal and external audit, helping to ensure efficient and effective assurance arrangements are in place. (The Audit Purpose).
- 1.4 In relation to the Corporate Priority "Value for Money Council Services", the Committee will:
 - 1.4.1 Monitor performance;
 - 1.4.2 Discuss and advise on service policy;
 - 1.4.3 Scrutinise and review issues, service delivery and activity.
- 1.5 In relation to the above Corporate Priority, the Committee will:

- 1.5.1 Produce a 12 month rolling scrutiny programme to coincide with the financial year (April – March);
 - 1.5.2 Co-ordinate and manage its scrutiny programme;
 - 1.5.3 Review and/or scrutinise decisions made or actions taken in connection with the discharge of any of the council’s functions;
 - 1.5.4 Review and scrutinise the performance of the council;
 - 1.5.5 Serve as consultees in relation to executive decisions and key elements of service plans when required; and
 - 1.5.6 Produce progress reports and recommendations to the Executive arising from the outcome of the scrutiny process or refer to the Executive entire reports produced as a result of the scrutiny process. It is the decision of the Executive whether or not such a report is subsequently submitted to Full Council.
- 1.6 In relation to the Audit Purpose, the Committee will:
- 1.6.1 Approve the risk-based internal audit plan (currently provided by CW Audit), including internal audit’s resource estimates.
 - 1.6.2 Consider the annual report and opinion from the Internal Audit Function , in line with the Accounts and Audit Regulations and The Public Sector Internal Audit Standards (PSIAS) and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the Council’s corporate governance arrangements – this will assist the committee in reviewing the Annual Governance Statement.
 - 1.6.3 Consider summaries of specific internal audit reports as requested.
 - 1.6.4 Consider reports dealing with the management and performance of Internal Audit.
 - 1.6.5 Consider a report from the Internal Audit Function on agreed recommendations not implemented within a reasonable timescale.
 - 1.6.6 Consider the External Auditor’s annual letter, relevant reports and the report to those charged with governance.
 - 1.6.7 Consider specific reports as agreed with the External Auditor.

- 1.6.8 Comment on the scope and depth of external audit work and to ensure it gives value for money.
- 1.6.9 Commission work from internal and external audit.
- 1.6.10 Maintain an overview of the Council's Constitution in respect of Contract Procedure Rules, Financial Regulations and Codes of Conduct.
- 1.6.11 Review any issue referred to it by the Chief Executive or a Head of Service, or any Council body.
- 1.6.12 Monitor the effective development and operation of risk management and corporate governance by the Council, ensuring that they adequately address the risks and priorities of the Council.
- 1.6.13 Monitor Council policies on Whistle-blowing and the Anti-Fraud and Corruption Strategy and the Council's complaints process.
- 1.6.14 Oversee the Council's arrangements for corporate governance and agreeing necessary action to ensure compliance with best practice.
- 1.6.15 Review and approve the Annual Governance Statement, in accordance with Regulation 6 of the Audit and Accounts Regulations 2015.
- 1.6.16 Consider the Council's compliance with its own and other published standards and controls.
- 1.6.17 Oversee the Council's use of powers under the Regulation of Investigatory Powers Act 2000.
- 1.6.18 Review the Annual Statement of Accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Committee approving the Statement of Accounts &/or the Council.
- 1.6.19 Consider the External Auditor's report to those charged with governance on issues arising from the audit of accounts.
- 1.6.20 Provide effective scrutiny of the Council's Treasury Management Strategy, policies and practices and consider whether any matters need to be brought to the attention of the Council.

- 1.6.21 Receive regular updates on the Council's Treasury Management Activities, including (as a minimum) scrutiny of the Mid-Year update and Annual Report.

2 POWERS OF THE COMMITTEE

- 2.1 The Committee shall be empowered to:
 - 2.1.1 Question members of the Cabinet, and/or officers of the Council about any matters pertaining to policy, service delivery, performance or the carrying out of the business of the Council;
 - 2.1.2 Ask for any Council documents which are relevant to any matter under consideration;
 - 2.1.3 Commission research or consultation exercises to assist with considering issues;
 - 2.1.4 Seek information from, or ask questions of, any other person or body if that person or body so consents;
 - 2.1.5 Report to the Cabinet on any issue arising from the Scrutiny function, with recommendations if appropriate;
 - 2.1.6 Issue reports to relevant outside bodies on the outcome of Scrutiny reviews, with recommendations if appropriate;
 - 2.1.7 Exercise the powers and duties of a Crime and Disorder Committee.
 - 2.1.8 Exercise the powers of an Audit Committee.

NB Under S.102 (3) Local Government Act 1972, a committee with co-opted independent members cannot regulate or control the finance of the local authority so any decisions relating to these matters are taken by the Full Council.

3 PROCEDURES OF THE COMMITTEE

THE COMMITTEE CAN AMEND THE PROCEDURES WHICH IT FOLLOWS

MEMBERSHIP

- 3.1 Membership will be a total of 18 Members of whom 16 shall be elected Members of the Council to reflect the political make-up of the Council and 2 shall be Independent Members who shall not be members or officers of the Council and who shall be non-voting members other than for the Audit Purposes set out at 1.6 above. No member of the Cabinet shall be on the Committee.

MEETINGS

- 3.2 All meetings of the Committee shall be held at the Town Hall Burton upon Trent at 6.30pm unless previously agreed by the Committee.
- 3.3 The Committee will meet so often as may be required to perform the functions of the Committee.
- 3.4 Subject to fulfilling the role outlined above, the agenda for each meeting shall be agreed by the Chairman. Councillor requests for items to be placed on the agenda must be received by the Chairman at least seven working days prior to the meeting.
- 3.5 Questions may be submitted by any member of the Committee for answer by the Leader, any Deputy Leader or Officer of the Council. Questions must be received three clear working days prior to the meeting.

CHAIRMAN AND VICE-CHAIRMAN

- 3.6 The Council shall appoint the Chairman and the Committee shall appoint the Vice-Chairman.

RIGHT TO ATTEND

- 3.7 Meetings of the Committee shall be open to the press and public except for confidential business.
- 3.8 All Councillors formally appointed to the Committee by the Council have the right to attend and to vote at meetings of the Committee.
- 3.9 Other Councillors who are not formal members of the Committee may attend meetings of the Committee, except where Exempt Information is likely to be disclosed. If Exempt Information is likely to be disclosed, they can only attend such meetings if they can demonstrate that their attendance is necessary to perform their duties as a Councillor. If they do attend, they may ask the Chairman for consent to speak (giving reasons). The Chairman may seek the views of the Committee before making a decision. If the Chairman gives such consent, the Councillor may take part in the debate when invited to do so by the Chairman (but may not vote).
- 3.10 The Committee shall determine which other persons should, from time to time, participate in the Committee's work.

QUORUM

- 3.11 A quorum shall be no less than 4 Councillors.

MINUTES

- 3.12 The minutes of the meeting shall not be verbatim but shall record any formal comments, views or recommendations made by the Committee and shall also record the answers to any formal questions. "Formal" means formally proposed.

REPORTING ARRANGEMENTS

- 3.13 Where necessary the Committee will make reports and recommendations to the Executive and/or Full Council arising from the outcome of the scrutiny process; or refer to the Executive entire reports produced as a result of the scrutiny process; or refer entire reports produced as a result of the scrutiny process to be debated and noted at Full Council.

APPLICATION OF COUNCIL MEETING PROCEDURE RULES

- 3.14 Save where inconsistent with these Rules, proceedings at the Committee will be governed as set out in Rule 23 of the Council Meeting Procedure Rules – see Part 3A.