

Audit Committee – Proposed change to the Council’s Constitution

Audit Committee

Date: 25 November 2008

Author: Director of Law and Democratic Services

Parish / Wards Affected: None

Purpose

- To consider whether a change should be made to the Constitution to afford the Audit Committee the same authority as the Overview and Scrutiny Committees to require “any member of the Cabinet or Senior Officer (Chief Executive, Group Director or Director) to attend before it”, to facilitate consideration by the Committee of matters within the remit of such member or officer.

Recommendation

- The Audit Committee is requested to:

Recommend to the Council that the proposed revision to Article 8 of the Council’s Constitution, set out in Appendix 1 to the report, enabling the Audit Committee to require “any member of the Cabinet or Senior Officer (Chief Executive, Group Director or Director) to attend before it” to facilitate consideration by the Committee of matters within the remit of such member or officer, be approved.

1. Reasons

- 1.1 The Audit Committee is charged with providing independent assurance to the Council in relation to its governance arrangements.
- 1.2 In carrying out this function the Committee has, in the past, invited members of the Cabinet and senior officers of the Council to attend its meetings to provide evidence, both in relation to the findings of specific audit reviews impacting on their area of responsibility and the Committee’s more general reviews of the Council’s Governance arrangements, and to respond to members’ questions.
- 1.3 There is no specific provision within the Council’s Constitution requiring Cabinet members, members of the Council or senior officers to attend meetings of the Audit Committee.

2. Detail

- 2.1 At its meeting on 24 June 2008, the Committee received its 2007/08 Annual Report. Members discussed the Committee’s role as a core component of effective governance and internal control within the Council

Further information on the subject of this report can be obtained either from *Stephen Taylor* on 463012 (or email staylor@swindon.gov.uk), or *Steve Jones* on 463602 (or email stevejones@swindon.gov.uk).

Audit Committee – Proposed change to the Council’s Constitution

Audit Committee

Date: 25 November 2008

and its function in providing a key source of assurance about the Council’s arrangements for managing risk, maintaining an effective control environment and monitoring its financial and non-financial related performance.

- 2.2 Members recognised that the Council has a duty to ensure that it is fulfilling its responsibility to have adequate and effective risk management, internal control and governance arrangements for the economy, efficiency and effectiveness of its activities. Also, that the Audit Committee has a key role in assessing the extent to which this responsibility is being met and advising on the adequacy and effectiveness of these arrangements in relation to:
- (i) the effectiveness of the Council’s risk management, internal control and its overall assurance framework;
 - (ii) the effectiveness of the Council’s financial and non-financial performance to the extent that it might impact upon (i) above;
 - (iii) the performance of the Council’s Internal Audit section;
 - (iv) the receipt and review of External Audit reports and liaison with external auditors on significant matters identified, and
 - (v) the effectiveness of any other matters referred to the Audit Committee by the Cabinet, the Overview and Scrutiny and Regulatory Committees.
- 2.3 The Committee recognised that crucial to carrying out its function, to provide an independent assurance to the Council regarding the effectiveness of its management strategies and performance monitoring framework, was its ability to collect and consider evidence from appropriate members of the Council and its senior officers.
- 2.4 The Committee acknowledged the level of co-operation it had received from members and officers alike in providing required information but suggested that a more formal constitutional provision was required. The Audit Committee is aware that similar provision is made within the Constitution in relation to member and officer attendance at meetings of the Overview and Scrutiny Committees and was of the opinion that this same provision should be available to the Audit Committee.
- 2.5 The Committee therefore asked that a report be submitted that would afford members the opportunity to propose a change to the Council’s Constitution that would require “any member of the Cabinet or Senior Officer (Chief Executive, Group Director or Director) to attend before it” to facilitate the Committee’s consideration of matters within the remit of such member or officer. It is also suggested that the Committee be able to

Audit Committee – Proposed change to the Council's Constitution

Audit Committee

Date: 25 November 2008

invite others to attend to take part in the consideration of matters before the Committee.

- 2.6 In accordance with members' discussion at its earlier meeting, a proposed change to the Constitution, to be incorporated into Article 7 and in sole relation to the Audit Committee, is attached to this report at Appendix 1.

Alternative Options

- The alternative option would be for the Committee to take no further action in respect of this matter.

Risk Management

Financial and Procurement Implications

- This report has no financial or procurement implications

Legal / Human Rights Implications

- Legal and Human Rights considerations have been taken fully into account in compiling this report. It is considered that the recommendations of this report are compatible with convention rights.

Links to Corporate Plans and Policies (in particular to Swindon 2010 Promises)

- No specific links can be made with Corporate Plans or policies

Consultees

- The Director of Finance (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

Background Papers and Appendices

- The minutes of the meeting of the Audit Committee held on 24 June 2008.