

## Full Council 25<sup>th</sup> January 2024

<b>Report Title</b>	<b>Proposed Revisions to the Constitution – Audit and Governance Committee Terms of Reference</b>
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<b>Are there public sector equality duty implications?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Does the report contain confidential or exempt information (whether in appendices or not)?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972</b>	N/A

### List of Appendices

Appendix A - Proposed revisions to the Audit and Governance Committee Terms of Reference.

Appendix B - Table of changes.

#### **1. Purpose of Report**

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- 1.1. To update on proposed revisions to the Terms of Reference for the Audit and Governance Committee.

#### **2. Executive Summary**

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- 2.1 The Terms of Reference for the Audit and Governance Committee have been in place since vesting day in April 2021.

- 2.2 As part of a routine review, the Monitoring Officer has been made aware of required updates to reflect the current CIPFA guidance and local arrangements.
- 2.3 On 8 January 2024 the Democracy and Standards Committee considered the proposed revisions to the Audit and Governance Terms of Reference following consideration by the Constitutional Working Group on 18 December 2023.
- 2.4 The Democracy and Standards Committee recommended the approval by Full Council of the proposed revisions to the Terms of Reference for the Audit and Governance Committee.

### **3. Recommendations**

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- 3.1 It is recommended that Full Council:
- a) approves of the revised Terms of Reference for the Audit and Governance Committee.
- 3.2 Reason for Recommendation – The proposed changes are recommended to ensure the Audit and Governance Committee can effectively discharge its functions in compliance with professional standards and reflects local arrangements.
- 3.3 Alternative Options Considered - The option of presenting the revisions as part of the programmed review at a later date was rejected as this would disrupt the delivery of the work of the Audit and Governance Committee.

### **4. Proposed Revisions to the Terms of Reference of the Audit Committee**

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- 4.1 As part of a routine review of the Audit and Governance Committee Terms of Reference a number of amendments have been identified.
- 4.2 The amendments proposed largely remove duplication and ensure compliance with the CIPFA Position Statement 2022. The Chief Internal Auditor has reviewed the Terms of Reference in consultation with the Monitoring Officer.
- 4.3 Whilst the proposed amendments do not deviate from the national standards of the CIPFA guidance, the proposed changes do result in a change in the Terms of Reference for the Audit and Governance Committee. This includes a change in the scope of the work of the Committee and as such requires approval by full Council before any changes can be made. The proposed revision is shown at Appendix A with the changes shown in red. A simple table is shown at Appendix B detailing the change to be made.

- 4.4 It is considered the proposed changes are urgent in nature to facilitate the work of the Audit and Governance Committee whilst ensuring compliance with professional standards, namely the CIPFA Position Statement 2022.
- 4.5 Future review of the terms of reference for the Audit and Governance Committee will form part of the annual review of the Constitution programmed for 2024/25.
- 4.6 The recommendations are detailed at paragraph three above. The option of presenting the revisions as part of the programmed review due to take place in 2024/25 was considered and rejected.
- 4.7 The work of the Audit and Governance Committee should align with the current CIPFA guidance including the position statement and local arrangements to ensure the Committee can effectively discharge its function and responsibility within the sphere of Audit and Governance.

## **5. Next Steps**

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- 5.1 Council is recommended to approve the proposed updates to the Terms of Reference for the Audit and Governance Committee. If the proposed changes are approved, the Constitution will be updated to reflect the changes and will take effect immediately.

## **6. Implications (including financial implications)**

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### **6.1 Resources and Financial**

- 6.1.1 There are no financial implications arising from this report.

### **6.2 Legal and Governance**

- 6.2.1 It is necessary update the Terms of Reference to ensure compliance with CIPFA guidance, as a failure to maintain and update these places the decision making of the Committee and Council at risk of legal challenge.

### **6.3 Relevant Policies and Plans**

- 6.3.1 The Constitution includes the Terms of Reference for the Audit and Governance Committee. The proposed revisions if approved would result in the updating of the Terms of Reference to this Committee.

## 6.4 **Risk**

6.4.1 The proposed amendments are intended to ensure compliance with up to date CIFPA Position Statement and reflect local arrangements.

## 6.5 **Consultation**

6.5.1 The Constitution Working Group were consulted on the proposed revisions on 18 December 2023.

## 6.6 **Equality Implications**

6.6.1 There have been no equality implications identified in producing this report.

## 6.7 **Climate Impact**

6.7.1 None.

## 6.8 **Community Impact**

6.8.1 None.

## 6.9 **Crime and Disorder Impact**

6.9.1 None.

## 7. **Background Papers**

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7.1 [Constitution - North Northamptonshire Council](#)

7.2 [Proposed Revisions to the Constitution - Report to Democracy and Standards Committee on 8th January, 2024](#)