

Broads Authority

28 July 2023

Agenda item number 19

Revised terms of reference for Audit and Risk Committee

Report by Senior Governance Officer and Deputy Monitoring Officer

Purpose

To agree revised terms of reference for the Audit and Risk Committee, as part of the ongoing implementation of the recommendations from the external review into the formal complaint.

Recommended decision

To adopt revised terms of reference for the Audit and Risk Committee.

1. Introduction

- 1.1. At its meeting on 20 January, the Authority considered a [report](#) by the Monitoring Officer on the findings and recommendations from the external review into a formal complaint. It agreed to refer the recommendations to the Audit and Risk Committee (ARC) for detailed consideration and implementation. A [report](#) was subsequently considered by the ARC on 14 March which agreed a set of actions to implement the recommendations, together with a relevant timetable.
- 1.2. These recommendations included some improvements to the Authority's governance and processes and, as a result, some amendments would need to be made to the terms of reference for ARC. A separate report on the agenda deals with recommendation 2, relating to a proposed change to the scheme of delegated powers covering the "call-in" of planning applications.

2. Proposed changes

- 2.1. Recommendations 4, 7 and 9 are relevant and these relate to: removing Code of Conduct matters from the remit of the Audit and Risk Committee (ARC); giving ARC the explicit role of considering members' concerns regarding governance, and generally oversight of the Authority's governance arrangements. This would provide a more appropriate route for members to raise such concerns, rather than using the general complaints process or any other route.

- 2.2. The Director of Finance, Senior Governance Officer and Deputy Monitoring Officer have worked together to produce draft revised ToR and these can be found in appendix 1 (with tracked changes). A “clean” version can be found in appendix 2. The opportunity was taken to review the terms of reference generally, such as checking they complied with current CIPFA guidance, as well as an overall refresh.
- 2.3. To assist members, below is a summary of the key proposed changes:
- Rename the committee Audit & Governance Committee, (to reflect its updated ToR on governance matters).
 - Clarity on statement of purpose in 7.1 – to reflect it is a decision-making committee.
 - Delete reference in former paragraph 7.2 to former Financial Scrutiny Audit Committee (ARC’s predecessor) as this has not been in existence for a number of years.
 - Additional item (new 7.8).
 - Removal of power relating to monitoring conformance with Code of Conduct etc (former paragraph 7.18), as this will fall under the proposed new Standards Committee and additional paragraphs (new 7.18 to 7.20) to take account of the additional powers referred to in 2.1 above.
 - Clarity on the types of payments to be included (in paragraph 7.47), to mirror the agreed wording in the “Scheme of Powers delegated to the Chief Executive and other authorised officers” (paras 26 and 27).
- 2.4. These have been shared with the Vice-Chair of ARC (acting Chair) who confirmed that he supports the changes and made one suggestion regarding the proposed name change. To represent the full scope of the committee’s responsibility, he suggested that the title be “Audit, Risk & Governance”. Members’ views are invited.
- 2.5. A similar report is being presented to ARC on 25 July seeking its views on the proposals and a verbal update will be provided at the Authority meeting.

3. Risk implications

- 3.1. The proposals are in response to the recommendation from the external review into the formal complaint. There is a risk of potential conflict between officers and members if there is a difference of opinion on whether the requirements for “call-in” have been satisfied, which could also impact the Authority’s reputation, and the inclusion of this additional provision will help mitigate any risks.
- 3.2. The Authority’s Monitoring Officer has been consulted and has confirmed their agreement with the proposed changes.

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[Broads Plan](#) strategic objectives: n/a

Appendix 1 – Proposed Terms of Reference for Audit & Governance Committee (tracked changes)

Appendix 2 – Proposed Terms of Reference for Audit & Governance Committee (no tracked changes)