

East Herts Council Report

Audit and Governance Committee

Date of Meeting: 28 July 2020

Report by: Chairman of Audit and Governance Committee

Report title: Draft Work Programme 2020/21

Ward(s) affected: All

Summary

- To invite Members to review and determine the future work programme of Audit and Governance Committee.

RECOMMENDATIONS FOR AUDIT AND GOVERNANCE COMMITTEE, that:

- (a) the main agenda items for the next meeting be agreed;**
- (b) the draft work programme, as amended, at Appendix A, be agreed.**

1.0 Proposal(s)

- 1.1 Items previously required, identified or suggested for the Audit and Governance work programme are set out in Appendix A.

2.0 Background

- 2.1 The draft agenda for the next Audit and Governance Committee is shown in Appendix A. Members are asked to confirm that these are the key items they wish to consider.
- 2.2 Appendix A also sets out provisional items for future meetings of the committee. Whilst the timing of some items shown may have to

change depending on availability of essential data (eg. from central government), members are asked to consider the future programme and add, remove or move items as they see fit.

- 2.3 Members will be aware that on 13 May 2020 Council made a number of changes to the Constitution, this included a change to the terms of reference of Audit and Governance Committee so that the issue of “performance” now falls within the remit of Overview and Scrutiny Committee. This was necessary to avoid a duplication of the “performance” function which occurred in both committees’ terms of reference.
- 2.4 In an effort to better plan the work of both Audit and Governance and Overview and Scrutiny committees a meeting was held on 29 June 2020 with the Leader, Deputy Leader, the Chairmen and Vice Chairmen of both Audit and Governance and Overview and Scrutiny Committees.
- 2.5 What became apparent at that meeting was the issue of Audit and Governance Committee’s new role from the viewpoint of *governance vs performance* when there is the potential to seek a review of the same subject which could fall within the remit of both Committees but from differing perspectives. The Chairman cited the use of Section 106 monies as an example (ie. have all the S106 monies been spent where applied, could they have been better used, where and how, and going forward what can Members do to ensure they are best applied within the community?). Members may recall that a detailed report on this issue was submitted to the former Performance Audit and Governance Oversight Committee last year. Another example of potential confusion and remit cross over was in relation to Large Scale Projects – budget and delivery timescales which could fall within the remit of both Oversight and Scrutiny (performance) and Audit and Governance (how are governance arrangements addressed?). The Scrutiny Officer has raised the issue with the Head of Legal and Democratic Service to see how best Members can be supported.

2.6 From the viewpoint of Audit and Governance, the Chairman referred to the establishment of a Constitution Review Work Group which had been established and suggested that a small group of Members from Audit and Governance be set up to monitor matters. Members' views are sought on this.

3.0 Reason(s)

3.1 While Audit and Governance is not a Scrutiny Committee, it has a specific role of monitoring the budget and oversees a range of information such as inspection reports and action plan monitoring. It approves the Council's Statement of Accounts and is also the Council's Audit Committee and carries out Treasury Management functions. As a result, the work programme helps provide structure and identifies a clear reporting timeframe for those reports.

4.0 Options

4.1 Members have the option to include or exclude any items on the proposed work programme, however, officers recommend approval of the listed items as consideration will fulfil the council's audit functions and the items reflect the issues previously raised by members. It is worth noting that this is a draft work programme which is continually reviewed and will evolve as the work programme develops triggered by external and internal influences.

5.0 Risks

5.1 If the Audit and Governance Committee chose not to consider the various audit and financial reports in the proposed work programme, subject to the Legal observations made later in this report, the council could potentially be at risk of not identifying potential issues and risks to the authority and thus taking mitigating actions.

6.0 Implications/Consultations

6.1 Information on any corporate issues and consultation associated with this report can be found within the body of this report.

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

None applicable to this report apart from the benefits, as discussed above, of member oversight of the council's key financial practices and policies.

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

None applicable to this report but Audit and Governance is required to receive and consider reports and agree such reports as required by statute. These include for example, the Treasury Management Statement and Statement of Accounts.

Specific Wards – All wards

7.0 Background papers, appendices and other relevant material

Appendix A

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