

REPORT TO CABINET

Open		Would any decisions proposed :			
Any especially affected Wards	Operational	Be entirely within Cabinet's powers to decide		NO	
		Need to be recommendations to Council		YES	
		Is it a Key Decision		NO	
Lead Member: Cllr C Morley E-mail: <i>cllr.chris.morley@west-norfolk.gov.uk</i>		Other Cabinet Members consulted:			
		Other Members consulted: Cllr A Ryves, Chair of Audit Cttee, Audit Committee			
Lead Officer: Jamie Hay E-mail: <i>jamie.hay@west-norfolk.gov.uk</i> Direct Dial: 01553 616701		Other Officers consulted: Alexa Baker, Assistant Director for Legal, Governance & Licensing (Monitoring Officer) Michelle Drewery, Assistant Director, Resources (S151 Officer)			
Financial Implications NO	Policy/ Personnel Implications NO	Statutory Implications YES	Equal Impact Assessment NO	Risk Management Implications NO	Environmental Considerations NO

Date of meeting: 10 December 2024

AUDIT COMMITTEE TERMS OF REFERENCE

Summary

The Audit Committee was established in 2006, with Terms of Reference (**ToR**) drawn up in line with the guidance from the Chartered Institute of Public Finance and Accountancy (**CIPFA**).

The ToR should be reviewed every three years by the Committee and any updates presented to Cabinet for approval and Council for approval and incorporation into the constitution.

Officers have reviewed the ToR and produced a draft updated version of the ToR, taking account of:

- CIPFA position statement 2022: Audit Committees in Local Authorities and Police
- This ToR has been presented to Audit Committee 3rd October 2024 and includes suggested amendments resulting from Audit Committee review and recommendation by Audit Committee of approval.

Recommendation

Recommendations to Full Council:

Approve the updated ToR, either as provided herewith or with further amendments, and recommend to Full Council that the revised ToR for the Audit Committee be adopted.

These terms of reference will replace the current Terms of Reference in Part 3 of the Constitution and SO29 will be amended to include reference to up to 2 Independent co-opted Members.

Reason for Decision

To enable the Audit Committee to continue to fulfil its role as required by Accounts and Audit Regulations 2015 and in accordance with the latest guidelines provided by CIPFA.

1 Background

The Audit Committee Self-Assessment Review report (presented to Audit Committee 24th June 2024) highlighted improvements required to the Audit Committee ToR to meet the requirements of the Accounts and Audit Regulations 2015. Additionally, upon reviewing the latest guidance from CIPFA (CIPFA position statement 2022: Audit Committees in Local Authorities and Police) the following amendments have been suggested:

- Greater clarity of the membership of the Audit Committee
- Wording added to allow for the appointment of an Independent Co-opted Member to the Audit Committee.
- The Committee's responsibility for receiving assurances on the Wholly owned companies and significant partnerships/collaborations.
- The term "Chairman" revised to "Chair / Chairperson".
- Greater clarity on the role and responsibility of the Audit Committee and the "exclusions within the wider functions of the Executive".
- A commitment to reviewing the ToR every three years by the Committee and if changes are agreed recommending these are approved by Council.

As outlined within the above updated guidance from CIPFA, it is anticipated that it will be a requirement for Audit Committees to appoint non-voting lay persons. Audit Committee previously resolved in principle on 20th February 2023 to the appointment of an Independent Person to the Audit Committee.

2 Options Considered

In light of the status of the CIPFA Guidance and the reasons for the recommendations in the [date] effectiveness report, no other options have been considered other than to make the proposed changes to the ToR.

3 Policy Implications

None. For completeness, if the updated ToR are approved, consequential changes will be made to Part 3 of the Constitution and Standing Order 29.

4 Financial Implications

None

5 Personnel Implications

None.

6 Environmental Considerations

None.

7 Statutory Considerations

Consideration to any relevant amendments to be made within the constitution (resulting from the introduction of co-opted independent members being introduced onto the Audit Committee)

8 Equality Impact Assessment (EIA)

Attached – No implications

9 Risk Management Implications

Maintaining the Terms of Reference up to date with latest regulation and guidance will improve the Council's Risk Management.

10 Declarations of Interest / Dispensations Granted

None.

11 Background Papers

- Audit Committee Self-Assessment Review Report
- Draft updated ToR
- CIPFA Position Statement 2022 Audit Committees in Local Authorities and Police.



Stage 1 - Pre-Screening Equality Impact Assessment

Name of policy/service/function	Audit Committee Terms of Reference				
Is this a new or existing policy/ service/function? (<i>tick as appropriate</i>)	New		Existing	X	
Brief summary/description of the main aims of the policy/service/function being screened. Please state if this policy/service is rigidly constrained by statutory obligations, and identify relevant legislation.	To enable the Audit Committee to continue to fulfil its role as required by Accounts and Audit Regulations 2015 and in accordance with the guidelines provided by CIPFA.				
Who has been consulted as part of the development of the policy/service/function? – new only (<i>identify stakeholders consulted with</i>)	Alexa Baker, Assistant Director for Legal, Governance & Licensing (Monitoring Officer) Michelle Drewery, Assistant Director, Resources (S151 Officer) Audit Committee				
Question	Answer				
<p>1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p> <p><i>If potential adverse impacts are identified, then a full Equality Impact Assessment (Stage 2) will be required.</i></p>		Positive	Negative	Neutral	Unsure
	Age			X	
	Disability			X	
	Sex			X	
	Gender Re-assignment			X	
	Marriage/civil partnership			X	
	Pregnancy & maternity			X	
	Race			X	
	Religion or belief			X	
	Sexual orientation			X	
Other (eg low income, caring responsibilities)			X		

