

AGENDA ITEM 6A. - Amendment – Section 13.1 of Part 3B of the Constitution

**Proposed by Councillor Phil Gilchrist
Seconded by Councillor Chris Carubia**

Membership of the Audit and Risk Management Committee shall take due account of the available evidence, advice and best practice existing at the time of its composition. Council not only recognises the importance of its independence but also has due regard to the experience and judgment of its members.

Having regard to this, it is noted that the CIPFA 'Practical Guidance for Local Authorities and Police Audit Committees 2018' is written exclusively in the language of executive functions and a leader or mayor and cabinet system and that, on being asked, the CIPFA Better Governance Advisor provided only a brief interpretation that "it is best to keep separation of audit committee members (particularly chairs) from policy committees"

Officers sought and received further information on this point from CIPFA which is set out here.

I would define 'executive member' as used in the guidance to mean a member of the Policy and Resources Committee or chair of one of the other policy committees.

The primary purpose of the chair of the audit committee is to ensure that it fulfils its purpose and operates in accordance with its terms of reference. The principles in the CIPFA Position Statement should underpin the operation of the committee. If the chair of the audit committee attends Policy and Resources Committee it should be to represent the audit committee and this should be as a non-voting observer of the Policy and Resources Committee rather than a voting member.

Accordingly, In the interests of good practice, the membership of the Audit and Risk Management Committee should be amended at Section 13.1 of Part 3(B) of the Constitution and a paragraph inserted to read:

- (a) The membership of the Audit and Risk Management Committee may not include the Leader or Deputy Leader of the Council or a Chair of a Policy and Services Committee.
- (b) Members may not review decisions as part of the Audit and Risk Management Committee that they have made as a member of another Committee. In this case, they should declare an interest and leave the meeting room. If a member feels that there is a particular reason why he or she should participate, a dispensation must be sought from the Constitution and Standards Committee or Monitoring Officer.

Whilst the opportunity will be taken to explore more fully with CIPFA and external audit how the CIPFA 'Practical Guidance for Local Authorities and Police Audit Committees 2018' can be most appropriately and practically applied to a committee system and reported upon as part of the review of the constitution at the most appropriate opportunity Council considers that the steps taken above provide an adequate balance between the issues of experience and independence at this stage.