

# Minutes of the Extraordinary Audit Committee

18 December 2023 at 2pm



## **Members Present:-**

**Councillors:** David Wilcox – Vice-Chair, John Geater, Zoe Goodman, Jonathan Hucker, Patrick McAllister, Guy Poultney

**Independent Members of the Committee:** Adebola Adebayo

## **Officers in Attendance:-**

Denise Murray – Director Finance, Simba Muzarurwi – Chief Internal Auditor, Tim O’Gara – Director Legal & Democratic Services, Lucy Fleming – Head of Democratic Engagement, Allison Taylor – Democratic Services

## **1 Welcome, Introductions and Safety Information**

The Chair welcomed all parties to the meeting. The Committee noted the emergency evacuation procedure for the Council Chamber if required.

## **2 Apologies for absence.**

Apologies for absence were received from Councillors Cole, Brown & Breckels and from Simon Cookson.

## **3 Declarations of Interest.**

There were none.

## **4 Public Forum**

There was none.



## 5. Constitution for Committee Model.

The Director Legal & Democratic Services summarized the report as follows:-

1. The report was before the Audit Committee as per the agreed decision pathway before it was considered at Full Council;
2. There were a few recommendations of the CMWG which had not yet been considered at Full Council, in particular the proposals relating to local decision making which were included in the report;
3. Some parts of the Constitution had not been reviewed and were not before the Committee, for example the Financial & Procurement Regulations & Planning and Licensing Codes of Conduct. Some minor amendment may need to be made via officer delegation to these parts of the Constitution in due course;
4. There remained a few inconsistencies and typos in the current draft and these would be corrected in the final drafting.

The following points arose from general comments on the draft Constitution:-

1. The Lead Officers from the CMWG were thanked for all their hard work and the previous Chair, current Chair and Vice-Chair were thanked for their leadership. The draft was welcomed and struck the right balance;
2. It was confirmed that it was the Audit Committee's role to provide assurance that what was proposed addressed the needs of the Council and aligned with expectations;
3. Procurement rules would require refreshing in light of the new act going through Parliament;
4. It was not anticipated that the emergency decision making procedures would be used other than in exceptional circumstances but they were included as a practical way of ensuring robust decision-making on a day to day basis;
5. There was no stand-alone Scrutiny function but if the Council decided it did want this function the 2012 Regulations sets out the arrangements needed. Health scrutiny stood alone and flood risk management and crime and disorder would sit with the relevant Policy Committees;
6. Policy development work would take place through Task & Finish groups, with the option for Policy Committees to also hold Inquiry Days;
7. It was not anticipated that there would be an increase in the workload of either the Values & Ethics Sub-Committee or the Audit Committee.
8. Cabinet and Scrutiny had been replaced with Policy Committees and the same safeguards and checks and balances were built into the new arrangements.
9. It was emphasized that it was not the role of the Audit Committee to undertake the scrutiny function;
10. A new Code of Corporate Governance would be required in 2024;
11. There would be Forward Plans for each Policy Committee and an Escalation Panel would ensure that there were checks and balances on decisions;
12. There would be much greater use of Agenda setting meetings for Policy Committees in order to promote effective cross-party decision making. It was observed that there should be less need for a scrutiny function if cross-party decision making worked effectively because scrutiny of proposed decisions would take place within the Policy Committees;
13. The membership of an Escalation Panel would not include any members of the relevant Policy Committee who had participated in the decision that was being reviewed by the Panel;
14. The Strategy & Resources Committee was not a review Committee and would not have the Chairs of other Policy Committees as members. It had its own discreet ToR.



The following points arose from discussion of each Article of the Constitution:-

1. **Article 1** - It was agreed to delete Number 6 of Para A1.02 and to reference the Escalation Panel in Number 5;
2. **Article 4** – It was noted that changes to BCC budget framework would be required and this was included in the report;

At this point, Adebola Adebayo left the meeting.

3. **Article 14** – Discussion took place regarding Forward Plans for the Policy Committees and the need to be transparent with the decision-making process and how this could create a tension with short-notice decision making. It was anticipated that Forward Plans would be treated in the same way as current Work Programmes for scrutiny and that there would be 6-monthly workshops to look at Forward Plans. The minutes of Chair’s briefings would also be sent to all members of the relevant Policy Committee;
4. **Article 16** – It was noted that the new governance arrangements would be formally reviewed in 6/9 months-time and it was anticipated that the CMWG would be stood up again at that point to oversee the review;
5. **Part 3.2** – Non-Executive Directors were appointed by the Shareholder as a Reserved Matter and this responsibility would be discharged by the Head of Paid Service in consultation with the Chair of Strategy & Resources Policy Committee;
6. **Para 3.2** - Discussion took place regarding the members of the Audit Committee being independent and therefore not sitting on a Policy Committee or Escalation Panel. The Director Finance stated that it was a matter of what was practically deliverable whilst maintaining maximum independence and having regard to public perception. It was agreed to amend the ToR of the Audit Committee so that the Leader & Deputy Leader of the Council and Chair and Vice-Chair of Policy Committees could not sit on Audit Committee;
7. **Part 3.5** – ToR of Area Committees amend to ‘shall’ be petition debate;
8. **Part 4.1** – CPR9.4 – there was some concern that there were now 3 questions instead of 2 as Public Forum was time limited and responses often took some time;
9. **Part 4.1** – CPR17.1 – To be amended in light of equalities legislation on standing up;
10. **Part 4.5** – CMR12.1 – remove brackets in first sentence and add ‘after the meeting’ before ‘cannot be moved unless’;
11. Throughout the Constitution it was agreed to review abbreviations and cross-referencing for consistency and delete obsolete references which relate to executive functions.

Based on the comments above the following matters would be reported to Full council



Part of Constitution	Comments from Audit Committee
Article 1.02	In the Articles of the Constitution delete point (6) and update point (5) as follows: to keep the implementation of decisions and the operational effectiveness of service areas under review.
Part 3.2	In the Terms of Reference for the Audit Committee, the Leader, Deputy Leader, Chairs and Vice-chairs of Policy Committees should not sit on the Audit Committee.
Part 3.5	In the Terms of Reference for Area Committees, where a petition has 200 signatures or more it will trigger a petition debate at the Area Committee.
Part 4.1	In the Council Procedure Rules, the requirement to stand to address Full Council shall be updated to comply with equalities legislation.
General comment	Delete obsolete references throughout the Constitution which relate to executive functions.
General comment	Abbreviations to be reviewed and corrected where required to ensure consistency throughout the Constitution.
General comment	Cross-referencing to be reviewed and corrected where required to ensure consistency throughout the Constitution.

The Chair asked if there were any other matters the Committee wished to raise and the following points arose from discussion:-

1. A Councillor was concerned that the current draft weakened the role of Scrutiny and lost accountability for decision making. He was assured that arrangements in place would provide a more collaborative approach and that scrutiny would take place during the decision-making process and it was a matter of embedding the new ways of working. It was also agreed to update point 5 of Article A1.02 with ‘and to keep the implementation of decisions and operational effectiveness of service areas under review’ and to delete point 6.

With no further matters for discussion it was:-

**Resolved – That subject to the amendments agreed above the Constitution be recommended to Full Council for adoption from May 2024.**

The meeting ended at 5.20pm.

**CHAIR** \_\_\_\_\_









