

**AGENDA ITEM 5  
RECOMMENDED ITEM FROM  
AUDIT COMMITTEE – 22<sup>ND</sup> SEPTEMBER 2010**

**366. UPDATE TO TERMS OF REFERENCE**

The Director of Resources reported that at the Annual Meeting of Council in May, changes to the membership of Audit Committee Independent Members had been recommended, changing the numbers from 2 to 3 and the Cabinet Member responsible for Audit Committee had also been changed and this was now Councillor A. Hodkin, the Cabinet Member for Resources and that these changes would be reported to Standards Committee for inclusion in the Constitution.

Moved by Councillor H. Gilmour, seconded by J. Hill

**RECOMMENDED** that the changes to the terms of reference be included in the Constitution.

(Standards Committee/Council)

Committee	Audit Committee	Agenda Item No.:	5.
Date:	22 <sup>nd</sup> September 2010	Category	
Subject:	Update to Terms of Reference	Status	Open
Report by:	Director of Resources		
Other Officers involved:	Monitoring Officer		
Director	Director of Resources		
Relevant Portfolio Holder	Councillor E. Watts, Leader of the Council		

### **RELEVANT CORPORATE AIMS**

STRATEGIC ORGANISATIONAL DEVELOPMENT – to continually improve the efficiency and effectiveness of all Council Services by maximising the potential use of Council resources.

### **TARGETS**

None

### **VALUE FOR MONEY**

None

1. At the Annual meeting of the Council in May 2010 there were some revisions to the content and description of Cabinet Members portfolios.
2. As a consequence of this, some revisions need to be made to the Committees that Council / Executive delegate function to. The Audit Committee is an area of such a change
3. The changes increase the number of independent non elected representatives from 2 to 3 and the Cabinet Member for Performance currently allocated to this committee is changed to the Cabinet Member for Resources
4. The attached report was presented to Council on 8<sup>th</sup> September and approved.

5. The Standards Committee on 4<sup>th</sup> November 2010 will consider this matter for approving the change to the Constitution.

### **IMPLICATIONS**

Financial : None.  
Legal : None  
Human Resources : None

### **RECOMMENDATION**

**That the Committee note the change to the terms of reference.**

ATTACHMENT: Y – Appendix A  
FILE REFERENCE: ***please complete***  
SOURCE DOCUMENT: Office of Director of Resources

## APPENDIX A

Council/ Committee:	Council	Agenda Item No.:	*
Date:	8 <sup>th</sup> September 2010	Category	*
Subject:	Change in Audit Committee Membership	Status	Open
Report by:	Director of Resources		
Other Officers involved:	Solicitor to the Council		
Director	Director of Resources		
Relevant Portfolio Holder	This report relates to appointments to a Committee and not Council functions more generally		

### RELEVANT CORPORATE AIMS

STRATEGIC ORGANISATIONAL DEVELOPMENT – Continually improving our organisation.

By ensuring that the appropriate Portfolio Holder is a member of the Audit Committee.

### TARGETS

None

### VALUE FOR MONEY

None

1. At the Annual Meeting in May 2010, Members agreed the membership of the Audit Committee to be as follows:

AUDIT COMMITTEE (3 + 2 Independent non elected representatives)  
Chairman: Independent r non elected representative of the Committee  
Vice Chairman: to be decided  
Cabinet Member for Performance  
Chair of Improvement Scrutiny Committee  
Leader of the Independent Group

2. This report seeks to revise the Membership.
3. The number of independent non elected representatives is to increase from 2 to 3. This reflects the recent recruitment of new independent members to standards Committee. This provides continuity should plans of the independent Chair of the committee come about and he stand down from 2011. Having 3 non elected representatives on the Audit Committee also gives more resilience generally. If agreed, the Council's Constitution would be altered to reflect this.
4. The Cabinet Member for Performance is currently allocated to this committee.
5. It is proposed to change this to the Cabinet Member for Resources. This then aligns with the Constitution for this Cabinet Member who has responsibility for the Anti Fraud & Corruption Strategy which is considered by this Committee.
6. This change has been discussed with both Cabinet Members and they are in agreement with the change.
7. If agreed the relevant changes to the Council's Constitution would be recommended to Standards Committee for approval.

### **IMPLICATIONS**

Financial : None  
Legal : Constitution to be updated to reflect any changes made.  
Human Resources : None

### **RECOMMENDATIONS**

1. **That the number of independent non elected representatives on the Audit Committee is to increase from 2 to 3 which increases the size of the Audit Committee to 6.**
2. **That the Cabinet Member for Resources replaces the Cabinet Member for Performance on the Audit Committee.**
3. **Standards Committee be recommended to approve the changes to the Constitution.**

ATTACHMENT: N  
FILE REFERENCE:  
SOURCE DOCUMENT: