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To: All Members of the Council

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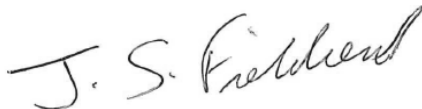
Monday, 15 May 2023

Dear Councillor

**COUNCIL – WEDNESDAY, 24TH MAY, 2023 AT 10:00 HOURS**

I refer to your recently circulated agenda for the above meeting and now enclose an updated copy of Item 8 Appendix 2.

Yours faithfully



Solicitor to the Council & Monitoring Officer

## **Equalities Statement**

Bolsover District Council is committed to equalities as an employer and when delivering the services it provides to all sections of the community.

The Council believes that no person should be treated unfairly and is committed to eliminating all forms of discrimination, advancing equality and fostering good relations between all groups in society.

### **Access for All statement**

You can request this document or information in another format such as large print or **language** or contact us by:

- **Phone:** [01246 242424](tel:01246242424)
- **Email:** [enquiries@bolsover.gov.uk](mailto:enquiries@bolsover.gov.uk)
- **BSL Video Call:** A three-way video call with us and a BSL interpreter. It is free to call Bolsover District Council with Sign Solutions, you just need WiFi or mobile data to make the video call, or call into one of our Contact Centres.
- Call with [Relay UK](#) - a free phone service provided by BT for anyone who has difficulty hearing or speaking. It's a way to have a real-time conversation with us by text.
- **Visiting** one of our [offices](#) at Clowne, Bolsover, Shirebrook and South Normanton

## COUNCIL

*Wednesday, 24th May, 2023 at 10:00 in the Council Chamber, The Arc, Clowne*

Item No.	PART 1 – OPEN ITEMS	Page No.(s)
8.	Establishment of Committees and Proportionality 2023/24 (updated Appendix 2)	4 - 14

\*\*The following text would be added to the Constitution within Part 3: Functions and replace existing text in relation to Scrutiny Committees.

## 3.6 Committee Terms of Reference

### **SCRUTINY COMMITTEES**

#### (1) Purpose and Responsibilities – ALL SCRUTINY COMMITTEES

Within their themed areas as outlined above, all Scrutiny Committees will:

- (1) Set an annual work plan which can include items from the service areas listed above for the individual Scrutiny Committees and include the following areas of focus;
  - i. The Council's Corporate Plan and priorities including quarterly performance monitoring.
  - ii. Areas of poor performance identified within service provision
  - iii. Policy development activity at the earliest possible opportunity
  - iv. Following up recommendations from past reviews in order to demonstrate the impact of Scrutiny work
- (2) Carry out the reviews in the Committee's annual work plan in a timely and efficient manner taking into consideration the work plans of the other Scrutiny Committees.
- (3) Make recommendations to the Executive and/or Council arising from work undertaken by the Committee.
- (4) Scrutinise and monitor the performance of the Executive and the holders of the relevant Portfolios.
- (5) Consider or examine existing or proposed Council policies, strategies or plans within the remit of the Executive.
- (6) Carry out additional reviews to those in 2 above provided the review is within the area of reference of the particular Scrutiny Committee including collaborating with other Scrutiny Committees and bodies carrying out similar functions outside the Council.
- (7) Undertake any duties specified in legislation that are relevant to each Scrutiny Committee, e.g., Statutory Crime and Disorder Responsibility under the Police and Justice Act 2006.

- (8) Review the performance of other public bodies in the area and invite reports, as required, by asking them to address the Committee about their activities and performance.
- (9) Exercise functions relating to Call-In or Councillor Call for Action.
- (10) Contribute to the Annual Scrutiny report to Council on the scrutiny function and the work of the Committees.

(2) Purpose and Responsibilities – FINANCE AND CORPORATE OVERVIEW SCRUTINY COMMITTEE

In addition to the above powers conferred on Scrutiny, this Committee shall have the following specific functions:

- (1) To be responsible for ensuring effective scrutiny of the Treasury Management Strategies and associated policies.
- (2) To receive the Executive's Budget proposals and scrutinise them in accordance with the Budget and Policy Framework Procedure Rules in the Council's Constitution, to include:
  - i. Making recommendations to the Executive in respect of those Budget proposals in accordance with the Budget and Policy Framework Procedure Rules in the Council's Constitution.
  - ii. Monitoring the Council's Budget, (General Fund, Capital Programme and Housing Revenue Account), on a quarterly basis.
  - iii. Questioning the relevant Portfolio Holders and officers in relation to financial issues arising out of the quarterly monitoring of Budgets.
  - iv. Making recommendations to the Executive in respect of financial issues arising out of the Budget Monitoring.
  - v. Referring to the relevant thematic Scrutiny Committee any performance or other non-financial issues arising out of the quarterly monitoring of the Council's Budget.
- (3) Receive a quarterly update on performance against relevant Corporate Plan targets from the Portfolio Holders, to include:
  - i. Monitoring performance management of the Council including reviewing performance against service plans and indicators relating to the corporate aims.
  - ii. Referring continued exceptions in performance to the relevant thematic Scrutiny Committee for further investigation/detailed review.

- (4) To enable each of the Scrutiny Chairs to present update information from their respective Committees.

The table below outlines the service areas to be scrutinised by each themed committee:

<b>Scrutiny Committee</b>	<b>Cabinet Portfolio's linked to Committee</b>	<b>Terms of reference</b>	<b>Additional considerations</b>
Local Growth Scrutiny Committee	<ul style="list-style-type: none"> <li>• Growth/ Economic Development</li> <li>• Housing</li> <li>• Corporate Governance</li> </ul>	<ul style="list-style-type: none"> <li>• Economic and Business Development</li> <li>• Property Services</li> <li>• Estates Management</li> <li>• High Street Development</li> <li>• Facilities Management</li> <li>• Strategic Development and Investment</li> <li>• Planning</li> <li>• Enterprise and Skills</li> <li>• Tourism</li> <li>• Dragonfly Developments Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Finance</li> <li>• Environment</li> <li>• One Public Estate</li> <li>• Transformation Programme</li> <li>• HS2</li> <li>• Highways</li> <li>• D2N2</li> <li>• Legal Requirements</li> <li>• Staffing and other resources for projects</li> <li>• Performance monitoring of assigned service areas</li> </ul>
Climate Change and Communities Scrutiny	<ul style="list-style-type: none"> <li>• Corporate Governance</li> <li>• Environmental Health and Licensing</li> <li>• Enforcement and Partnerships</li> <li>• Leisure and Tourism</li> </ul>	<ul style="list-style-type: none"> <li>• Health and Safety (Council responsibility)</li> <li>• HR/Legal/ Governance</li> <li>• Community Safety Partnership/ Police</li> <li>• Bolsover Partnership Strategy</li> <li>• All Local Authority enforcement/ Enforcement Team</li> <li>• Food Safety</li> </ul>	<ul style="list-style-type: none"> <li>• Finance</li> <li>• Legal Requirements</li> <li>• Staffing and other resources for projects</li> <li>• Performance monitoring of assigned service areas</li> </ul>

Scrutiny Committee	Cabinet Portfolio's linked to Committee	Terms of reference	Additional considerations
		<ul style="list-style-type: none"> <li>• Health and Wellbeing</li> <li>• Leisure</li> <li>• Environmental Health</li> <li>• Licensing</li> <li>• Public Health</li> <li>• Relationship with other authorities including Derbyshire County Council and Parish Councils.</li> <li>• Energy management in relation to the Council's own Estates and Property</li> <li>• Community Transport</li> <li>• Climate Change</li> <li>• Social Inclusion</li> </ul>	
Customer Services Scrutiny Committee	<ul style="list-style-type: none"> <li>• Housing</li> <li>• Environmental Health and Licensing</li> <li>• Finance</li> <li>• Corporate Governance</li> </ul>	<ul style="list-style-type: none"> <li>• BDC Housing including Strategic Housing</li> <li>• Emergency Planning</li> <li>• Revenues and Benefits</li> <li>• Street Scene</li> <li>• Grounds maintenance</li> <li>• Customer Services and Customer Standards</li> <li>• ICT</li> <li>• Communications</li> <li>• Waste Collection</li> <li>• Monitoring Corporate Complaints</li> <li>• Local Government and Social Care</li> </ul>	<ul style="list-style-type: none"> <li>• Environment</li> <li>• Finance</li> <li>• Transformation Programme</li> <li>• Environmental Health</li> <li>• Governance</li> <li>• Legal Requirements</li> <li>• Staffing and other resources for projects</li> <li>• Elections</li> <li>• Performance monitoring of assigned service areas</li> </ul>

Scrutiny Committee	Cabinet Portfolio's linked to Committee	Terms of reference	Additional considerations
		Ombudsman – complaints and annual letter.	
Finance and Corporate Overview Scrutiny Committee	<ul style="list-style-type: none"> <li>• Finance</li> </ul>	<ul style="list-style-type: none"> <li>• Audit</li> <li>• Accountancy</li> <li>• Procurement</li> <li>• Improvement and Performance Monitoring</li> <li>• Payroll</li> <li>• Treasury Management</li> <li>• Annual budget setting process</li> <li>• Budget Monitoring</li> <li>• Monitoring collection rates for Council Tax and other income.</li> <li>• Societal Impact of any Budget Reductions</li> <li>• Reviewing the financial and value for money outcome of the implementation of strategic projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Environment</li> <li>• Legal Requirements</li> <li>• Governance</li> <li>• Staffing and other resources for projects</li> </ul>

(3) Joint Scrutiny Arrangements

The Authority is part of a Shared Services Scrutiny Panel alongside North East Derbyshire District Council and Chesterfield Borough Council, which scrutinises the joint working arrangements across the three Councils.

(4) Membership and Structure of Meetings

The Chair and Vice Chair of each Scrutiny Committee will be appointed by Council from its allocated membership.

All Scrutiny Committees will reflect the political composition of the Council, in accordance with the proportional allocation of seats. The quorum for each scrutiny committee meeting will be one quarter of the whole number of Members or three voting Members, whichever is the greater.



All Scrutiny Members shall be invited to Finance and Corporate Overview Scrutiny Committee once a year, for consideration of the annual Council Budget proposals, prior to submission to Executive and Council.

All thematic Chairs and/or Vice-Chairs shall be invited to attend Finance and Corporate Overview Scrutiny Committee when it is considering quarterly performance reports, to enable informed discussion and referrals where required. They will not attend with voting rights.

The Committees will meet in accordance with the agreed meeting schedule, with additional extraordinary meetings as required.

## **AUDIT COMMITTEE**

### (1) Purpose and Responsibilities

The Committee is a key component of the Authority's corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

The purpose of the Committee is to provide independent assurance to the Members of the Authority of the adequacy of the risk management framework and the associated internal control environment. It provides independent review of the Authority's governance, risk management, and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

In addition to the above powers conferred, this Committee shall have the following specific functions:

#### **Governance, risk and control**

- (1) To review the council's corporate governance arrangements against the good governance framework, including the ethical framework and consider the local code of governance.
- (2) To review the Annual Governance Statement (AGS) prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control.
- (3) To consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- (4) To consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the council.
- (5) To monitor the effective development and operation of risk management in the Council.
- (6) To monitor progress in addressing risk-related issues reported to the Committee.
- (7) To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.

- (8) To review the assessment of fraud risks and potential harm to the Council from fraud and corruption.
- (9) To monitor the counter-fraud strategy, actions and resources.
- (10) To review the governance and assurance arrangements for significant partnerships or collaborations.
- (11) To consider reports on the effectiveness of financial management arrangements, including compliance with CIPFA's **Financial Management Code**.

#### **Internal audit**

- (12) To approve the internal audit charter
- (13) To approve the risk-based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
- (14) To approve significant interim changes to the risk-based internal audit plan and resource requirements.
- (15) To make appropriate enquiries of both management and the Head of the Internal Audit Consortium to determine if there are any inappropriate scope or resource limitations.
- (16) To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Head of the Internal Audit Consortium. To approve and periodically review safeguards to limit such impairments.
- (17) To consider reports from the Head of the Internal Audit Consortium on internal audit's performance during the year, including the performance of external providers of internal audit services. These will include:
  - i. Updates on the work of internal audit including key findings, issues of concern and action in hand as a result of internal audit work
  - ii. Regular reports on the results of the quality assurance and improvement programme (QAIP)
  - iii. Reports on instances where the internal audit function does not conform to the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note for the United Kingdom Public Sector Internal Audit Standards (LGAN), considering whether the non-conformance is significant enough that it must be included in the AGS.

- (18) To consider the Head of the Internal Audit Consortium's annual report:
  - i. The statement of the level of conformance with the PSIAS and LGAN and the results of the QAIP that support the statement – these will indicate the reliability of the conclusions of internal audit.
  - ii. The opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control together with the summary of the work supporting the opinion – these will assist the Committee in reviewing the AGS.
- (19) To consider summaries of specific internal audit reports as requested.
- (20) To receive reports outlining the action taken where the Head of the Internal Audit Consortium has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.
- (21) To contribute to the QAIP and in particular, to the external quality assessment of internal audit that takes place at least once every five years.
- (22) To consider a report on the effectiveness of internal audit to support the AGS, where required to do so by the Accounts and Audit Regulations.
- (23) To provide free and unfettered access to the audit committee chair for the Head of the Internal Audit Consortium, including the opportunity for a private meeting with the Committee.

**External audit**

- (24) To support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by Public Sector Audit Appointments (PSAA) as appropriate.
- (25) To consider the external auditor's annual letter, relevant reports and the report to those charged with governance.
- (26) To consider specific reports as agreed with the external auditor.
- (27) To comment on the scope and depth of external audit work and to ensure it gives value for money.
- (28) To consider additional commissions of work from external audit.

- (29) To advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.
- (30) To provide free and unfettered access to the audit committee chair for the external auditors, including the opportunity for a private meeting with the Committee.

#### **Financial reporting**

- (31) To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.
- (32) To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

#### **Accountability arrangements**

- (33) To report to those charged with governance on the Committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements, and internal and external audit functions.
- (34) Where the Council has undergone an external inspection, peer review or other intervention, and an improvement programme is developed, the Audit Committee will support the effective implementation and review of agreed actions.
- (35) To report to Council on an annual basis on the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose, via completion of an annual self-assessment and production of any required improvement plan.
- (36) To publish an annual report to Council on the work of the Committee, to include reference to the Committee's self-assessment and any associated improvement plan.

#### (2) Reporting Framework

The Audit Committee will report directly to the Council and provide information to the Executive for action whilst maintaining its independence.

#### (3) Membership and Structure of Meetings

The Chair and Vice Chair of the Committee will be appointed by Council from its allocated membership and reflect the political composition of the Council, in accordance with the proportional allocation of seats.

The Committee will have no more than 8 Members, to include 6 members of the Authority and two co-opted Independent Non-Voting Members.

The quorum for the Committee will be one quarter of the whole number of Members or three voting Members, whichever is the greater.

The Committees will meet in accordance with the agreed meeting schedule and for a minimum of four times per year, with additional extraordinary meetings as required.