

**To the Chair and Members of the
COUNCIL**

**NOMINATION OF REPRESENTATIVE TO SHEFFIELD CITY REGION COMBINED
AUTHORITY'S AUDIT COMMITTEE**

EXECUTIVE SUMMARY

1. To nominate a representative of the Council to the Sheffield City Region Combined Authority's (SCRCA) Audit Committee.

RECOMMENDATION

2. Council is asked to agree that the holder of the position of Chair of the Audit Committee be nominated as the Council's representative on the Audit Committee of the SCRCA.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

3. As a Member Authority of the SCRCA, it is important that Doncaster Council also has a role in supporting the Audit Committee function within the Combined Authority in overseeing the internal control, risk and governance assurance arrangements within this body.

BACKGROUND

4. At the meeting of Full Council on 7th March 2013, it was agreed that Doncaster Council would join the SCRCA, which became a legal entity on 1st April 2014. In addition to the Member representative appointments previously agreed in relation to the SCRCA, its Overview and Scrutiny Committee and Transport Committee, the Council has now been asked to nominate one representative to sit on the SCRCA's Audit Committee. The SCRCA is seeking to appoint member representatives to its Audit Committee on the basis that each member authority on the SCRCA has been asked to nominate one elected Member, preferably the Chair of its own Audit Committee, to form a core membership. The Audit Committee meetings will be held on a quarterly basis.
5. The Combined Authority's Audit Committee will exercise appropriate oversight with regard to the Internal Control, Risk and Governance Assurance arrangements within the Authority. The Committee's Terms of Reference are attached for information at Appendix A.

OPTIONS CONSIDERED

6. To appoint a Council representative to the Combined Authority's Audit Committee on the basis outlined in paragraph 2 above (Recommended option).

7. To not appoint a Council representative to the Combined Authority's Audit Committee.

REASONS FOR RECOMMENDED OPTION

8. It is important that Doncaster MBC has a representative on the Combined Authority's Audit Committee to enable Doncaster to contribute towards overseeing the internal control, risk and governance assurance arrangements operating within the Combined Authority.

IMPACT ON THE COUNCIL'S KEY PRIORITIES

- 9.

Priority	Implications
We will provide strong leadership and governance, working in partnership.	It is important that Doncaster Council contributes towards the governance arrangements operating within the SCRCA.

RISKS AND ASSUMPTIONS

10. There are no identified risks or assumptions relevant to this report.

LEGAL IMPLICATIONS

11. A report submitted to the SCRCA in July 2014 regarding the establishment of the Combined Authority's Audit Committee explained that:

"The principle of establishing an Audit Committee did not feature explicitly in the Scheme submission that was sent to the Secretary of State. However, it has been acknowledged in examining the detailed operational Governance requirements for the Combined Authority that it would be following best practice for there to be an Audit Committee notwithstanding that there has been, unlike in the case of the Overview and Scrutiny function, no prescription in the final Order made by the Secretary of State setting up the Authority.

Provision has been included in the Constitution which has been approved for the Combined Authority for there to be an Audit Committee, the Terms of Reference of which...in particular, include delegated powers to consider and approve the Authority's annual accounts and External Audit report."

FINANCIAL IMPLICATIONS

12. There are no specific financial implications arising from this report.

EQUALITY IMPLICATIONS

13. There are no specific equality implications arising from this report.

CONSULTATION

14. Consultation has taken place with Group Leaders with regard to determining a nomination for representation on the SCRCA Audit Committee.

BACKGROUND PAPERS

15. Report to SCRCA Meeting held on 14th July 2014 – SCRCA Audit Committee Arrangements.

REPORT AUTHOR

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The Audit Committee

The Authority's Audit Committee shall have the following terms of reference and delegated authority:-

1. To receive and approve **under delegated powers** the Authority's statement of accounts in accordance with the Accounts and Audit (England) Regulations 2011;
2. To consider the External Auditor's Annual Audit and Inspection Letter in accordance with the Accounts and Audit (England) Regulations 2011 and to monitor the Authority's response to individual issues of concern identified;
3. To consider and advise the Authority on the findings of the Authority's review of the effectiveness of its system of internal control and on the Annual Governance Statement;
4. To consider and advise the Authority on the findings of the review of the effectiveness of its internal audit;
5. To oversee the effectiveness of the Authority's and SYPTTE's risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements, including approving **under delegated powers** the Authority's Anti-Fraud and Corruption Policy and associated Fraud Response Plan and any changes to these;
6. To challenge the Authority's performance management arrangements;
7. To oversee and review the Authority's internal audit strategy, and receive reports, as appropriate, from the Internal Auditor;
8. To engage with the External Auditor and external inspection agencies and other relevant bodies to ensure that there are effective relationships between external and internal audit;
9. To make recommendations to the Finance Director and Monitoring Officer in respect of Part 5F of the Authority's Constitution (Financial Regulations);
10. To ensure effective scrutiny of the Treasury Management Strategy and Policies;
11. To consider and advise the Authority on its Code of Corporate Governance.