

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

**APPOINTMENT OF CONSERVATIVE COUNCILLOR REPRESENTATIVE TO
SHEFFIELD CITY REGION COMBINED AUTHORITY'S AUDIT COMMITTEE**

EXECUTIVE SUMMARY

1. To appoint a Conservative Councillor, in accordance with the Sheffield City Region Combined Authority's (SCRCA) political balance requirements, as representative of the Council to sit on the SCRCA's Audit Committee. This appointment would be in addition to the Council's current representative, Councillor Austen White.

RECOMMENDATION

2. Council is asked to appoint a Conservative Councillor as a second 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. Since that time, the Council has also appointed Member representatives to the SCRCA's Overview and Scrutiny, Transport and Audit Committees.
5. Having previously appointed the Council's Chair of Audit Committee, Councillor Austen White (Labour) to serve on the SCRCA Audit Committee for the 2015/16 Municipal Year, the Council has been informed that Doncaster is also entitled to appoint 1 Conservative Councillor to sit on this body. This is on the basis that appointments to the SCRCA Audit Committee, which comprises 14 seats, are politically and geographically (across the SCR area) proportionally balanced, resulting in Doncaster having 2 seats, i.e. 1 x Labour, 1 x Conservative.
6. In terms of selection of nominees, it should be noted that the SCRCA has indicated that its preferred arrangement is for the SCRCA Overview and Scrutiny Committee members to also be the nominees for the SCRCA Audit Committee, with meetings of both Committees being aligned to meet on the same day and the Audit Committee to sit at the rising of the Overview and

Scrutiny Committee (although Member Authorities are free to nominate different representatives if they so wish). This Council's current representatives on the SCRCA Overview and Scrutiny Committee are Councillors John Mounsey (Labour) and R. Allan Jones (Conservative).

7. The role of the Combined Authority's Audit Committee is to 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. Council is asked to take account of the Conservative Group's preference in making this appointment and any nomination will be reported verbally to Council at the meeting.

OPTIONS CONSIDERED

8. To appoint a Conservative Member representative to the SCRCA Audit Committee (Recommended option).
9. To not appoint a Conservative Member representative to the Combined Authority's Audit Committee.

REASONS FOR RECOMMENDED OPTION

10. It is important that Doncaster MBC is represented 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

11.

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

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

LEGAL IMPLICATIONS

13. 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

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

EQUALITY IMPLICATIONS

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

CONSULTATION

16. Consultation has taken place with the Conservative Group Leader with regard to determining a nomination for representation on the SCRCA Audit Committee.

BACKGROUND PAPERS

17. 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 SYPTE'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.