



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	AUDIT COMMITTEE – 26 JANUARY 2023
Subject	PEER REVIEW – GOVERNANCE RECOMMENDATIONS & ACTION PLAN
Wards affected	All
Accountable member	Cllr Joe Harris, Leader of the Council Email: joe.harris@cotswold.gov.uk
Accountable officer	Angela Claridge, Director of Governance & Development Email: angela.claridge@cotswold.gov.uk
Report author	As above
Summary/Purpose	To consider the Local Government Association’s Feedback Report, and, to review the Action Plan that details how the recommendations relating to the responsibilities of this Committee will be implemented.
Annexes	Annex B – Action Plan
Recommendation(s)	<i>That Audit Committee: Note the Committee’s activity over the last year and identify any gaps in the governance framework.</i>
Corporate priorities	<ul style="list-style-type: none">• Delivering our services to the highest standards
Key Decision	NO
Exempt	NO
Consultees/ Consultation	Members of the Cabinet Local Management Team - CEO, Deputy CEO & Chief Finance Officer, Interim Head of Legal Services; Managing Director & Group Finance Director (Publica)

I. BACKGROUND



- 1.1 Corporate Governance is the system by which local authorities direct and control their functions and relate to their communities. It is founded on the fundamental principles of openness, integrity and accountability together with the overarching concept of leadership.
- 1.2 The function of governance is to ensure that Cotswold District Council fulfils its purpose and achieves the intended outcomes for citizens and service users and operates in an effective, efficient, economic and ethical manner.
- 1.3 In this respect, the Council recognises the need for sound corporate governance arrangements and has put in place policies, systems, procedures and structures that together determine and control the way in which the Council manages its business, formulates its strategies and objectives and sets about delivering its services to meet those objectives.
- 1.4 The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively.
- 1.5 The Council invited the Local Government Association (LGA) to conduct a corporate peer challenge in October 2022. The review was undertaken by an experienced team including both councillor and officer representatives. The team acts as a “critical friend” providing feedback and commentary on areas of strength and areas for future consideration.

2. MAIN POINTS

- 2.1 The Corporate Peer Challenge 2023 – Feedback Report, made a number of recommendations including one that relates to the responsibilities of this committee, namely “*The council needs to reassure itself that its governance arrangements are robust*”.
- 2.2 Full Council at its meeting on 18 January considered the Peer Challenge report in its entirety and accompanying action plan.
- 2.3 This report is seeking to address the proposal that Audit Committee are provided with confirmation of the current governance and control framework for their review, identification of any gaps or weaknesses, and comments.
- 2.4 Over the last year, this Committee has owned an ambitious agenda including financial reporting, resilience and Chief Finance Officer’s assurance; the Annual Governance Statement; internal control; risk management strategy including the identification and mitigation of risks; audit activity and reviewed a number of policies (Procurement & Contract Management, Whistleblowing and the Counter Fraud & Anti-Corruption Policies). In addition, the Committee has considered annual reports relating to the Local Government Ombudsman and standards framework relating to the conduct of elected members.
- 2.5 Members will also note that there are further proposals relating to the recommendation of “*The council needs to reassure itself that its governance arrangements are robust*”, which will be subject to subsequent reports to this Committee or other forums:



- Introduce two independent members to the Audit Committee
- Implement a programme of regular training for Audit Committee members
- Revisit terms of reference and consider Renaming Audit Committee to Audit & Governance Committee to reflect the breadth of its responsibilities and ensure governance is a focal part of the committee's function.
- Deliver Democratic Services Action Plan - ensuring the smooth and efficient management of decision making processes.
- Ensure Constitution continues to reflect robust governance processes and arrangements via timely updates.

3. FINANCIAL IMPLICATIONS

- 3.1 There are no direct financial implications arising from the recommendations.

4. LEGAL IMPLICATIONS

- 4.1 This Committee, through its responsibilities as set out in the Constitution, recognises the requirement to observe specific requirements of legislation and the general responsibilities placed on the Council by public law, but also accepting responsibility to use its legal powers to the full benefit of the citizens and communities in its area.

5. RISK ASSESSMENT

- 5.1 The Council recognises the need to have in place and maintain a systematic strategy, framework and process for managing and auditing risk which are set out in paragraph 2.4 of this report.

6. BACKGROUND PAPERS

- 6.1 The following documents have been identified by the author of the report in accordance with section 100D.5(a) of the Local Government Act 1972 and are listed in accordance with section 100 D.1(a) for inspection by members of the public:

- Corporate Peer Challenge 2023 – Feedback Report & Action Plan (Full Council 16.01.2023).

These documents will be available for inspection online at www.cotswold.gov.uk or by contacting democratic services democratic@cotswold.gov.uk for a period of up to 4 years from the date of the meeting.

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