



Report 05.17
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Committee Planning & Monitoring Sub-committee
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Areas for Consideration by this Sub-committee and Indicative Timetable

1. Purpose

- To help clarify the particular role of this new sub-committee so that agreement can be sought from the Policy, Finance & Strategy Committee of those matters which should be referred to it.
- To start to develop a timetable for meetings of the Sub-committee and topics to be covered at them for inclusion in the Council's timetable.

2. Significance of Decision

The matters in this report do not trigger the significance policy of the Council or otherwise trigger Section 76(3)(b) of the Local Government Act 2002.

3. Background

At the Council meeting of 28 October 2004, reconvened on 9 November 2004, it was resolved (Report 4.614) to:

Amend the Terms of Reference for the Policy, Finance and Strategy Sub-committee to:

- (1) **change** its name to "Planning and Monitoring Sub-committee".
- (2) **include** in its terms of reference audit and other functions that may be assigned as appropriate.
- (3) **make** the membership all councillors for hearing submissions on the LTCCP and Annual Plan and four members and the Council Chairperson *ex-officio* for other matters.

Thus, this sub-committee explicitly has responsibility for audit, but also there is an expectation of other functions being "assigned as appropriate". It would

be helpful for this sub-committee to give its views back to the Policy, Finance & Strategy Committee as to what other functions may well be referred.

4. The Audit Functions

4.1 Informal discussions have been held between the Sub-committee Chair, a representative of the Office of the Auditor General, our Audit Director, Rudi Tomlinson, Mr Turfrey and myself. The Audit representatives were very supportive of this Council having a more focussed audit committee than heretofore. Specific points noted from the discussion, which we would support, are:

- Providing an opportunity for the detailed review of the Annual Report in advance of the Report coming to Council. This change would give comfort to all councillors that an appropriate degree of scrutiny and ownership by the Council has been given to the content of the Report. This sub-committee, functioning as the Audit Committee, would be able to recommend to the Policy, Finance & Strategy Committee that Council adopt the Annual Report. There would then be less pressure on the Council with the Auditor being present to issue his opinion.
- This sub-committee having periodic regular access to the Auditor including, at a relatively early stage in the process, having the opportunity to talk through with the Auditor the audit arrangements. This would provide enhanced councillor awareness and an opportunity to provide feedback.
- The provision of comfort, all round enhanced trust and added value, particularly through the opportunity for the members of the sub-committee to ask questions of the Auditor.
- It was suggested that as a standing item the Auditor should have the opportunity to attend the sub-committee *in the absence* of officers.
- The audit fee for the Council should also appropriately go through the sub-committee.

- 4.2 As a consequence of the above, there needs to be a meeting of this sub-committee the day before Council meets to sign-off the Annual Report. In the case of 2005 that date should be 17 October 2005. Other dates already scheduled for this committee include 3 May, 6 September and 6 December. It is proposed that these three dates would be very appropriate for the sub-committee to discuss specifically the auditing of the 2006/16 LTCCP, noting the requirement of the Local government Act 2002 that the *proposed plan* should be subject to audit.

5. Other Functions of the Sub-committee

5.1 Sub-committee as Hearings Committee for submissions on the LTCCP / Annual Plan.

As noted in the Terms of Reference this sub-committee (with enhanced membership) will continue the function of the previous Policy, Finance & Strategy Sub-committee as the Hearing Committee on our planning documents. The dates 19, 20 and 21 April have been set aside for that purpose.

- 5.2 In its role as the “Monitoring Sub-committee” it is considered that the sub-committee should be proactive in monitoring the compliance of the Council with its Policies, e.g. the Treasury Management Policy. The Chief Financial Officer should be asked to report accordingly. The sub-committee should also be proactive in evaluating risk to this Council and may consider putting together a programme of areas for consideration, in conjunction, at times, with the internal audit.
- 5.3 The sub-committee should also take responsibility for recommending to Policy, Finance & Strategy Committee on the appropriateness or otherwise of research and monitoring planned or carried out, that is used to contribute to the assessment of the efficacy of the various council programmes.

This sub-committee can also be used from time to time as an appropriate forum for a more detailed discussion of matters that might otherwise be considered by the Policy, Finance & Strategy Committee, as is being done on this occasion with the item on the agenda referring to the review of electoral arrangements.

6. Delegated Responsibility

Only one specific delegated responsibility should be sought from the Council (other than the already delegated role as the Hearings Committee), and that is that this sub-committee should have delegated power to approve the draft accounts prior to the adoption of the Annual Report. This delegation was recommended to us by the Audit representatives to allow them to issue their opinion and is supported by the Chief Financial Officer.

7. Communications

There are no external general communications opportunities arising from this report. Formal notification should go to the audit representatives, specifically of the intended timetable.

8. Recommendations

That the sub-committee recommend to the Policy, Finance & Strategy Committee that it:

- 1) **Recommend** to Council the amendment of the Council timetable to include a meeting of this Sub-committee on 17 October 2005.
- 2) **Note** the intended use of the meetings of 3 May, 6 September and 6 December 2005 for the purpose of discussing with the Audit representatives their audit of the LTCCP 2006/16 and such other matters as may be timely for consideration.
- 3) **Note** that a schedule of reviews addressing the risks that might face the organisation will be drawn up in consultation with the relevant officers.
- 4) **Confirm** the expectation that matters related to research and monitoring relevant to the success of the performance of the Council functions will be appropriate to be addressed at this sub-committee.
- 5) **Note** that a standing item at each meeting of the sub-committee will be an opportunity for the Audit representatives to have discussions with the Sub-committee members in the absence of officers.
- 6) **Recommend** to Council that the sub-committee have delegated power to approve the draft accounts immediately prior to the issuing of the Audit opinion and the adoption of the Annual Report by Council.

Report prepared by:

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