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**REPORT TO:** OVERVIEW AND SCRUTINY COMMITTEE

**DATE:** 19 FEBRUARY 2009

**REPORTING OFFICER:** CORPORATE DIRECTOR (S151)

**SUBJECT:** COMMITTEE TERMS OF REFERENCE

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**1.0 PURPOSE OF REPORT**

1.1 To provide the Committee with re-drafted Committee Terms of Reference for comment and to seek the views of the Committee whether they wish to recommend any amendments as part of the wider review of the constitution.

**2.0 RECOMMENDATIONS**

2.1 It is recommended that Members consider the Terms of Reference as detailed in Annex A and make recommendations regarding any amendments it may wish to make.

**3.0 REPORT**

3.1 Both of the Council's service committees have recently reviewed their respective Terms of Reference which state the roles and responsibilities of the committees.

3.2 These reviews have subsequently been incorporated into a detailed consideration of 'the arrangements for Discharge of the Council's Functions' by the constitution working party which was presented to the Policy and Resources Committee on the 12 February 2009. Included within this report were updated terms of reference for the Overview and Scrutiny Committee which are attached at Annex with tracked changes.

3.3 In determining whether the committee wishes to make any such recommendations it may wish to consider the following questions:

- a) Should the name of the Committee be changed?
- b) Are the functions correct?

**Background Papers:**

Council Constitution

**OFFICER CONTACT:**

Please contact Paul Cresswell, Corporate Director (s151) if you require any further information on the contents of this report. The officer can be contacted at Ryedale House, Malton telephone number 01653 600666 or e-mail: [paul.cresswell@ryedale.gov.uk](mailto:paul.cresswell@ryedale.gov.uk)

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**OVERVIEW AND SCRUTINY COMMITTEE**

19 February 2009

## **TERMS OF REFERENCE: OVERVIEW & SCRUTINY COMMITTEE**

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### **MEMBERSHIP:**

The Overview & Scrutiny Committee is comprised of 9 Members of the Council.

### **FUNCTIONS:**

- (1) To perform a broad based Overview and Scrutiny role by:-
  - (i) investigating and reporting to the Policy and Resources and/or the Community Services Committees and/or Full Council on strategic policy issues of importance to the economic, health, social or environmental well being of the District of Ryedale and its residents and/or business;
  - (ii) reviewing and scrutinising the decisions made by and the performance of the Policy and Resources Committee and/or the Community Service ~~and Licensing~~ Committee ~~and~~ Joint ~~and Area~~ Committees and Council officers (though this will not apply to decisions made on quasi judicial matters e.g. development control and licensing);
  - (iii) reviewing and scrutinising the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas;
  - (iv) making reports and/or recommendations to the Full Council and/or the Policy and Resources Committee and/or the Community Service Committee, Regulatory, ~~Area~~ or Joint Committee arising from the outcome of the scrutiny process;
  - (v) exercising the right to call-in, for reconsideration, certain decisions made, but not yet implemented by the Policy and Resources Committee and/or Community Services Committee, ~~or Joint or Area~~ Committees;
  - (vi) questioning Members of the Policy and Resources Committee and/or Community Service, Regulatory, Joint ~~and Area~~ Committees and senior officers about their decisions and performance, whether generally in comparison with service delivery plans and targets over a period of time, or in relation to particular decisions, initiatives or projects (though this will not apply to decisions on quasi judicial matters);
  - (vii) receiving reports from the District Auditor and the Council's internal auditor and making suggestions for improvement in practice required as a result of those reports to Full Council and/or the Policy & Resources Committee;
  - (viii) reviewing and scrutinising the performance of other public bodies in the area and inviting reports from them by requesting them to address the Committee and local people about their activities and performance; and
  - (ix) questioning and gathering evidence from any person (with their consent).
  
2. To fulfil the Overview and Scrutiny role ~~by: in relation to Best Value and the provision of services by:-~~
  - (i) reviewing and assessing the Council's overall performance in relation to its targets (including those set out in the ~~Best Value Performance Plan and the~~ Community Plan), and making recommendations thereon to the Policy and Resources Committee and/or Full Council;
  - (ii) reviewing and assessing the quality of service delivery across the Council, co-ordinating and publishing information on service performance,

- identifying and promoting best practice and making recommendations thereon to the Policy and Resources Committee and/or Full Council;
- (iii) making recommendations to the Full Council on matters to be included in the ~~annual Best Value Performance Council's~~ Plan and for Service Reviews (including cross-cutting Reviews) to be conducted having regard to the Council's strategic aims and key issues or in response to any individual concerns that may arise from time to time;
  - (iv) monitoring and considering the methodology for Service Reviews and making recommendations thereon to the Policy and Resources Committee and/or Full Council;
  - (v) receiving and considering recommendations from Service Reviews which have an impact on corporate policy, and making recommendations thereon to the Policy and Resources Committee for onward transmission to Full Council;
  - (vi) overseeing the progress of the Community Services ~~and Licensing~~ Committee and Regulatory Committees in undertaking reviews of their own services against an agreed rolling review programme;
  - (vii) receiving Service Review Reports on those services which are the responsibility of the Policy and Resources Committee and making recommendations thereon to the Policy and Resources Committee and/or Full Council;
  - ~~(viii) considering and advising Council on the draft Best Value Performance Plan.~~
3. From time to time, the Overview and Scrutiny Committee may decide to sit to comment on proposals of particular significance, for example:-
- (i) considering the draft annual "State of the District" report; ~~if there were to be one;~~
  - (ii) considering the draft Community Plan;
  - (iii) liaising with other external organisations operating in the District, whether national, regional or local, to ensure that the interests of local people are protected or enhanced by collaborative working.

#### **DELEGATION OF FUNCTIONS:**

There is no delegation of functions.

## **TERMS OF REFERENCE: OVERVIEW & SCRUTINY ACTING AS AUDIT COMMITTEE**

The Overview and Scrutiny Committee has been given delegated authority to exercise the Audit Committee role for Ryedale District Council. References in these terms of reference to the 'Audit Committee' is a reference to the Overview and Scrutiny Committee exercising the Audit Committee role for Ryedale District Council

### **MEMBERSHIP:**

All the members of the Overview & Scrutiny Committee

### **FREQUENCY OF MEETINGS:**

Audit Committee agenda items will be a standing Item on the Overview & Scrutiny Committee Agenda at each of its meetings.

### **FUNCTIONS:**

- (1) To oversee the Council's corporate governance arrangements, the work of the Council's internal auditors, and the Council's response to external audit and other external inspections.
- (2) To review the operation and compliance with the Council's Local Code of Corporate Governance, and will report annually to Council on its operation and make recommendations as appropriate and necessary on its content.
- (3) To review and approve the Statement on Internal Control as required by the Accounts and Audit Regulations 2003. In doing so, the Committee will satisfy itself that it has obtained sufficient relevant and reliable evidence to support the disclosures made, in particular by:
  - (i) receiving reports on the monitoring and progress of action plans relating to corporate governance arrangements;
  - (ii) the receipt at least once a year of a review of the effectiveness of the system of internal control (SIC);
  - (iii) considering the progress and adequacy of management's response to these reviews; and
  - (iv) receiving reports on the review and monitoring or risk management.
- (4) It will have the authority to require the attendance of any elected member, or officer of the Council, and the Audit Manager, and the External Audit Manager, may report directly to the Committee or the Chair if deemed necessary.
- (5) In terms of internal audit, the Audit Committee may make recommendations in respect of certain Internal Audit operational matters as outlined in (i) to (iv) below, and may make recommendations to the Council's Policy and Resources Committee on policy matters. In particular, the Audit Committee will:-
  - (i) receive and endorse any internal audit strategies, codes of practice, audit plans, and reports of progress against such plans as it considers necessary;
  - (ii) receive the Annual Internal Audit Report;

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- (iii) review the progress and adequacy of management's response to internal audit recommendations, and matters arising from the internal audit reports;
  - (iv) consider those internal audit reports which, in the view of either the Chief Executive, the Monitoring Officer, the Chief Financial Officer, or any Director of the Council or the Audit Manager require to be brought to the attention of the Audit Committee; and
  - (v) keep under review and make recommendations to the Council on the content and operation of the Council's Counter-Fraud and Corruption Policy, and Whistleblowing Policy.
- (6) In respect of external audit and other external inspections, the Audit Committee may make recommendations in respect of operational matters, and may make recommendations to the Council's Policy and Resources Committee on policy matters. In particular, the Audit Committee will:-
- (i) receive the external auditor's review of the Council's Statement of Accounts, Annual Audit Letter, Audit Plans, and any other reports and relevant matters deemed necessary by the external auditor;
  - (ii) receive the governance aspects of reports from any other external inspection bodies (and not the service aspects); and
  - (iii) review the progress and adequacy of management's response to external audit recommendations, and matters arising from other external inspection reports.
- (7) Without prejudice to the generality of the above the Audit Committee will exercise the following functions and role:
- (i) The Committee is charged with the responsibility for ensuring good stewardship of the authority's resources.
  - (ii) The Committee will recognise, and endorse the profile, status and authority of the internal audit function and will confirm its independence.
  - (iii) The Committee will contribute towards making the Council, its Committees and Directorates more responsive to Audit reports and recommendations.
  - (iv) The Committee is charged with the responsibility for promoting internal control by the systematic appraisal of the Council's internal control mechanisms, by the development of a counter-fraud culture and by the systematic review of financial procedures.
  - (v) The committee is charged with the responsibility for focusing audit resources, by endorsing audit plans and monitoring the delivery of the audit service.
  - (vi) The committee will monitor both internal and external audit performance.
  - (vii) The committee will regularly, receive and consider a summary of internal audit work undertaken, including where necessary and appropriate, executive summaries or full audit reports.

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- (viii) The committee will review compliance with Corporate Governance policies.
- (ix) The committee will monitor compliance with the Corporate Risk strategy.
- (x) The committee will ensure that it acts within the policies and strategies of the authority.