

## YORKSHIRE DALES NATIONAL PARK AUTHORITY

25<sup>th</sup> July 2006**ROLE OF THE AUDIT & REVIEW COMMITTEE****Purpose of the report**

To seek the Authority's approval for an enhanced role, and new Terms of Reference, for the Audit & Review Committee.

**Background**

Following the conclusion of the National Park Authority Performance Assessment (NPAPA) the Authority has undertaken a general review on the role of members. There are 5 general areas that are currently being debated by the Authority. These are:-

- The establishment of Member Champions
- Changes to the membership and role of the Planning Committee
- A review of members' role on partnerships
- An examination of the advocacy and representation role of members.
- A review of the role and functions of the Audit & Review Committee.

This paper deals with the latter issue.

The Peer Review report into the Authority's work had, as one of its conclusions, the need to re-examine the role of the Audit & Review Committee. In particular it was suggested that consideration should be given to members taking a more direct role in the review process and taking lead responsibility for the dissemination of 'lessons learned/best practice' throughout the Authority.

**Proposals**

An examination has been undertaken into the current formal Terms of Reference of the Audit & Review Committee. Generally speaking, these allow the Committee to carry out the new functions envisaged by the Peer Review report. However, a more explicit set of Terms of Reference would provide more focus and direction for the work of the Committee.

Attached as an **Appendix** is a revised remit which should provide the necessary framework in which the Committee can carry out a more focussed role on behalf of the Authority.

There remain a number of 'traditional' audit functions within the Terms of Reference, e.g. arranging for the internal and external audit of the Authority's accounts. However, it is proposed that any new role should explicitly include the following:-

- The ability to review/examine the performance of the Authority's annual programmes (e.g. rights of way, archaeology etc) and major, one-off projects (e.g. 'private spaces, public places', northern office).
- The ability to request officers and members, particularly member champions, to explain the performance of the Authority across its range of duties and responsibilities. This could include external partners if appropriate.
- Responsibility for monitoring the National Park Authority's performance, across all its duties and responsibilities. This would include review of progress of the BVPP Actions (though they would continue to be set by the full Authority), an analysis of how successfully the Authority is achieving its objectives, how we are performing against our targets measured by performance indicators, both internally and against other organisations.
- Responsibility for the implementation of 'Best Value' and, specifically, the NPAPA process.

Crucially, members of the Audit & Review Committee were keen to emphasise that all reviews should be carried out in a positive way - with a view to establishing the 'lessons learned' and then taking on a role in improvement planning, i.e. ensuring that those lessons learned were spread across the organisation. Subject to members' capacity there would be a real value in one or two members assisting officers in carrying out these reviews rather than simply coming in at the end of the process as is the case now.

Members should note that all the above clearly fit into the review function. However, policy setting will remain firmly with the Authority.

### **Current Progress**

At its last meeting the Audit & Review Committee considered which reviews it might wish to undertake. There was an extremely useful discussion about the need to focus, in detail, on a small number of properly-planned reviews rather than trying to review everything at once. Some concerns were expressed about the capacity of members to fully involve themselves in this process and this is a matter that will need to be kept under review. However, at the next meeting of the Audit & Review Committee in September, members will consider and agree a review programme. Of course, the Authority continues to be in a position where it can ask the Audit & Review Committee to examine any aspect of the Authority's business.

Members will be aware that the Corporate Governance issue remains an extremely important area of the Authority's activity. The A&R Committee has established the CGWG which is in the process of examining the application to the National Park Authority of the principles of good governance established by the Independent Commission on Good Governance in Public Services. The work of the Group will be completed by the end of 2006.

The Audit & Review Committee has also established a much closer working relationship with the Standards Committee. This is particularly important to ensure that the Authority proactively manages 'Standards issues' rather than simply reacting to them.

## **RECOMMENDATION**

Members are requested to approve the enhanced role and remit of the Audit & Review Committee as identified in this report and approve the revised Terms of Reference.

DAVID BUTTERWORTH  
CHIEF EXECUTIVE

Background documents: National Park Authority Performance Assessment

12<sup>TH</sup> July 2006



Audit & Review Committee – Revised Terms of Reference

To act on behalf of the Authority as follows:-

- a) reviewing the Authority's performance in pursuing its policies and objectives, in particular those in the Best Value Performance Plan; and reporting to the Authority, its Committees or Sub-Committees, as appropriate;
- b) act as the lead Committee on the Best Value process, including the implementation and monitoring of the National Park Authority's performance assessment process;
- c) lead on improvement planning and learning from major projects and on-going programmes;
- d) instigating a programme of reviews in areas where the Authority is under-performing, and report back to the Authority;
- e) advising the Authority on its corporate governance policies and agenda, and implementing and managing the Authority's agreed policies in this area;
- f) arranging for the audit, both internal and external, of the Authority's affairs, including financial controls and accounts;
- g) receiving all external and internal audit plans and reports, and monitoring the implementation of audit recommendations;
- h) monitoring the Authority's complaints procedure, and as appropriate, determining any claims of maladministration and appropriate remedies.