

Report to: Audit & Governance Committee: 2 July 2025

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Report Summary	
Report Title	Review of the Council’s Constitution – Replacing the Audit & Governance Committee.
Purpose of Report	To consider terms of reference and membership for two new Committees – Audit & Accounts Committee and Governance, General Purposes & Local Government Reorganisation (LGR) Committee which will replace this Committee as per the Full Council decision taken on 20 May 2025.
Recommendations	That Committee recommends the Terms of Reference for the two new Committees as set out in Appendix A to this report, to Full Council for approval.
Reason for Recommendation	To ensure the Constitution is up to date and fit for purpose.

1.0 Background

1.1 At its meeting of 20 May 2025 Full Council resolved for the Audit & Governance Committee to develop Terms of Reference for two new committees to undertake the current functions of Audit & Governance Committee. These two Committees were to be the Audit & Accounts Committee, and Governance, General Purposes & Local Government Reorganisation (LGR) Committee.

2.0 Proposal/Options Considered

2.1 Draft Terms of Reference for the two new Committees are attached at **Appendix A** to this report. The current Terms of Reference for Audit & Governance Committee are attached for comparison at **Appendix B** to the report.

2.1 The draft Terms of Reference for the Audit & Accounts Committee contain no material changes to the terms relating to those functions in the current Terms of Reference for the Audit & Governance Committee.

2.2 The draft Terms of Reference for the Governance, General Purposes & LGR Committee:

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- Contain no material change to the terms relating to those functions in the current Terms of Reference for Governance and Standards functions, except for the addition of 'overview of the Council's arrangements for Member training and development' to reflect the fact that Audit & Governance Committee has been undertaking this function.
- Include functions to be transferred from General Purposes Committee as approved by Full Council on 20 May 2025.
- Include functions in relation to Local Government Reorganisation.
- Include provision for informal working parties.

2.3 Members will note the proposal for membership of Governance, General Purposes & LGR Committee to include Group Leaders or their nominees and the Chair of the Policy, Performance & Improvement Committee or their nominee, both being subject to political proportionality and the allocation of seats to Groups on Committees. The rationale for this is to facilitate LGR work in the most effective way. The terms of reference allow for substitute Members, which is consistent with the terms of reference for Policy and Performance Improvement Committee. It is custom and practice for the Council to appoint the same number of substitutes in respect of each political group as that group holds ordinary seats on that committee, up to a maximum of two in respect of each group.

2.4 The proposal is for a membership of 9 for Audit & Accounts Committee plus 1 co-opted independent member; this is consistent with CIPFA guidance that large audit committees should be avoided. A membership of 12 is proposed for the Governance, General Purposes & LGR Committee. The rationale for this Committee to have a larger membership is to ensure effective representation from all groups at both Committee meetings and working parties, which may often be arranged at short notice.

2.5 Members will be aware that this Committee agreed a schedule of meetings in 2025/26 for the Audit & Governance Committee as follows:

Wednesday 24 September 2025

Wednesday 10 December 2025

Wednesday 4 March 2026

Wednesday 22 April 2026

The report to the Full Council on 15 July 2025 will need to approve a schedule of dates for the two new Committees. It is suggested that the dates above could be retained as a schedule for the Audit & Accounts Committee.

A suggested schedule for the Governance, General Purposes and LGR will also be presented to the Full Council.

3.0 Implications

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

3.1 Financial Implications (FIN25-26/2805)

The report to the Full Council will confirm the convening an Independent Remuneration Panel to undertake a full review of Members Special Responsibility Allowances given the changes in committees which will be approved at the meeting.

The costs associated with the convening of the Independent Remuneration Panel can be accommodated within existing budgets for the 2025/26 financial year.

3.2 Legal Implications (LEG2526/3525)

Audit & Governance Committee is responsible for overview of the Council's Constitution and consideration of proposed amendments. Adoption and alteration of the Constitution is a function reserved to Full Council; therefore any amendments endorsed will need to be submitted to Full Council for approval.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Full Council report 20 May 2025 –

<https://democracy.newark-sherwooddc.gov.uk/documents/s22839/20.05.25%20-%20Review%20of%20the%20Councils%20Constitution.pdf>