

## **OVERVIEW AND SCRUTINY PERFORMANCE BOARD 24 FEBRUARY 2016**

### **REQUEST FROM AUDIT AND GOVERNANCE COMMITTEE: USE OF CONSULTANTS**

---

#### **Summary**

1. The Overview and Scrutiny Performance Board (OSPB) is asked to consider the Audit and Governance Committee's request that the OSPB consider including the use of consultants as an item on its Work Programme. The Chairman and/or the Vice Chairman of the Audit and Governance Committee have been invited to attend the meeting to present the Committee's request.

#### **Background**

2. At its meeting on 27 June 2014, the Audit and Governance Committee considered the results of an audit of the use of consultants. A further audit was subsequently requested and included in the agreed 2015/16 internal audit plan.
3. At its meeting on 11 December 2015, the Audit and Governance Committee considered the results of the follow-up internal audit report on the use of consultants (attached as Appendix 1). Although the report concluded that the County Council has very good clear documented and detailed processes relating to the engagement and management of consultants, it found a continued non-compliance with that framework by managers across the organisation. There also remains some ambiguity over the Council's definition of consultancy and hence a lack of consistency in interpretation.
4. The Committee agreed to receive a further audit report during 2016/17. However, the Committee requested that its surprise and disappointment at the results of the audit report be reported to Council. In addition, the Committee requested that the OSPB be asked to consider including the use of consultants as an item on its Work Programme.

#### **Role of the Audit and Governance Committee**

5. The role of the Audit & Governance Committee is defined in the Constitution as follows:
  - (a) to review the annual audit plans of both the internal and external auditors;
  - (b) to receive and comment upon the external and internal auditors' reports;
  - (c) to monitor the adequacy and effectiveness of the Council's system of internal control;
  - (d) to consider and approve the annual statements of accounts;

- (e) to be satisfied as to the Council's overall corporate governance arrangements;
- (f) to ensure that a corporate risk management strategy is drawn up, and to consider, monitor and review the effectiveness of the Council's risk management arrangements;
- (g) to consider monitor and review the Council's arrangements for the prevention and detection of fraud and corruption;
- (h) to consider any report from the Chief Internal Auditor in pursuance of Financial Regulations.

## **Purpose of the Meeting**

6. The Board is asked to:

- (i) Invite the Chairman/Vice-Chairman of the Audit and Governance Committee to present the reasons for referring the item of Council use of Consultants to OSPB; and
- (ii) Consider the request and decide if it wishes to refer the item for inclusion in the relevant Panel's work programme.

## **Supporting Information**

- Appendix 1: Audit report considered by Audit and Governance Committee on 11 December 2015

## **Contact Points**

### County Council Contact Points

County Council: 01905 763763

Worcestershire Hub: 01905 765765

Email: [worcestershirehub@worcestershire.gov.uk](mailto:worcestershirehub@worcestershire.gov.uk)

### Specific Contact Points for this report

Alyson Grice/Samantha Morris, Overview and Scrutiny Officers,  
Commercial and Change Directorate (01905 844962/844963)

Email: [scrutiny@worcestershire.gov.uk](mailto:scrutiny@worcestershire.gov.uk)

## **Background Papers**

In the opinion of the proper officer (in this case the Head of Legal and Democratic Services) the following are the background papers relating to the subject matter of this report:

- Agenda and minutes of the Audit and Governance Committee meetings held on 27 June 2014 and 11 December 2015
- [All agendas and minutes are available on the Council's website here.](#)