

MIDDLESBROUGH COUNCIL

Report of:	Director of Legal & Governance Services
Submitted to:	Audit Committee
Date:	17 April 2025
Title:	Update on the Review of the Constitution and Committee Terms of Reference
Report for:	Discussion
Status:	Public
Council Plan priority:	Delivering Best Value
Key decision:	No
Why:	Not applicable
Subject to call in?:	Not applicable
Why:	Non-executive decision

Executive summary

The Council is continuing to deliver its governance improvement programme, which included reviewing its constitution and scheme of delegations. This work is being led by the Constitution and Member Development Committee (“CMDC”) in respect of the Non-executive functions and the Executive in respect of the Executive Functions.

Officers and Members each have a key role to play in this process to ensure the constitution and delegations reflect the law and local custom and practice. CMDC has set up a working group to ensure that the review of the constitution is delivered in a timely fashion and hits the timeline set out for the review. It is intended that the refreshed constitution is presented to Annual Council on 21 May 2025 for adoption. This report invites the Audit Committee to consider the proposed changes to the Constitution.

As part of the review process, the CMDC is reviewing the terms of reference for its committees. The Chair of the Audit Committee suggested that the Audit Committee terms of reference should reflect the standard terms of reference for local government audit committees, as proposed by CIPFA, and remove irrelevant functions attributed to the committee by mistake.

1. Purpose

- 1.1 The Constitution and Member Development Committee ('CMDC') has been reviewing the provisions of the Constitution to remove duplication and improve its usability as far as possible. It now presents to the Audit Committee, being the committee charged with responsibility for the good governance of the Council, draft proposals to date for comment.
- 1.2 Part of the review has focused upon the Terms of Reference of committees, therefore comments are sought from the Audit Committee in respect of the proposal to adopt the CIPFA recommended terms of reference for the Audit Committee.

2. Recommendations

- 2.1 That the Audit Committee :
 - 2.1.1 consider and discuss the proposed refreshed Constitution;
 - 2.1.2 confirm whether the revised terms of reference, to reflect the CIPFA standard terms of reference, are accepted; and,
 - 2.1.3 provide any comments in respect of refresh of the constitution to the Constitution and Member Development Working Group forthwith.

3. Rationale for the recommended decision(s)

- 3.1 It is good practice for the Council to follow CIPFA recommendations,

4. Background and relevant information

- 4.1 The Council has recognised that improvements can be made to its governance processes, as set out in the corporate governance improvement plan, with particular reference to the refresh of the Constitution to ensure that it is accurate and current.

Constitution

- 4.2 The Council adopted a revised constitution format in May 2023, intended to make the constitution more accessible and user friendly. The Constitution is a living document that evolves continuously to reflect the ever changing environment in which the Council operates – nationally, regionally and locally. The Monitoring Officer therefore has ongoing responsibility for ensuring that the Constitution remains accurate and lawful, and has delegated authority to make some changes, which are then reported to the next meeting of Council. More fundamental changes are approved by full Council.
- 4.3 Since the updated Constitution was adopted issues of duplication and inconsistency have been identified, which is usual given the dynamic and complex

environment in which the Council operates. The whole Constitution is therefore being reviewed as one coherent document with a view to ironing out any duplication or inconsistency and ensuring that the Constitution appropriately reflects the Council's governance and operating arrangements.

- 4.4 Most of the work on the constitution refresh is being reviewed through the Constitution and Member Development working group (CMDWG) however, where appropriate, views are also being sought from Officers and Members to ensure that any revisions are appropriate.
- 4.5 The views of Members will also be sought throughout the process to ensure they are comfortable with the proposals – this will be achieved via a member briefing before the Annual Council and the last CMDC, and by reports going to relevant committees in respect of proposed amendments.
- 4.6 To date, the CMDWG has considered, and accepted in principle, proposals in respect of the following sections of the Constitution:
 - (a) Section 1 – Introduction
 - (b) Section 2 – Constitution
 - (c) Section 3 – Citizens and the Council
 - (d) Section 4 – Council (including Council Procedure Rules)
 - (e) Section 7 – Overview & Scrutiny
 - (f) Section 8 – Standards

Section 9 – Part B

- 4.7 Part B of section 9 of the constitution addresses the terms of reference of all of the Councils committees, including the Audit Committee.
- 4.8 At the last revision of the constitution, there was included in the Audit Committee terms of reference a reference to clean air. This appears to have been included in error. It is proposed that this provision is removed from the Audit Committee terms of reference.
- 4.9 As part of the review of the terms of reference, the Chair of the Audit Committee has suggested that the Council should adopt the standard terms of reference championed by the Chartered Institute of Public Finance and Accountancy ('CIPFA'). A copy of the recommended standard terms of reference is attached as Appendix 1 to this report.
- 4.10 The proposed changes do not materially alter the structure, role or function of the Audit Committee. The views of the Audit Committee on amended proposed terms of reference (as set out at Appendix 2) are sought.

5. Other potential alternative(s) and why these have not been recommended

No alternative proposals have been identified by the CMDWG, other than retaining the existing terms of reference while deleting the legacy environmental functions.

6. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	None
Legal	Ensures the constitution is more robust
Risk	None
Human Rights, Public Sector Equality Duty and Community Cohesion	None – save for presenting the document in a more streamlined and accessible format
Climate Change / Environmental	None
Children and Young People Cared for by the Authority and Care Leavers	None
Data Protection	None

Appendices

1	CIPFA recommended Terms of Reference
2	Audit Committee proposed Terms of Reference
3	

Background papers

Body	Report title	Date

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