

**SUBJECT: CO-OPTION OF TWO MEMBERS ON TO THE EDUCATION
ACHIEVEMENT SERVICE (EAS) AUDIT COMMITTEE**

MEETING: COUNCIL

DATE: 22nd January 2015

DIVISION/WARDS AFFECTED: All

1. PURPOSE:

To agree the appointment of two non-Executive Members on to the Education Achievement Service (EAS) Audit and Risk Assurance Committee.

2. RECOMMENDATIONS:

- 2.1 That the Council appoints two non-executive Members to represent the Council on the EAS Audit and Risk Assurance Committee. The EAS Audit and Risk Assurance Committee will ensure robust accountability for the governance, financial stability and strategic direction of the EAS.

3. KEY ISSUES:

- 3.1 The EAS was established following the Welsh Government's collaboration programme and is a single consortia body with the role of raising the standards of educational attainment across schools in the former Gwent area. The five partner authorities currently commission a school improvement service from the EAS utilising public funding.
- 3.2 As a registered company limited by guarantee delivering a critical service to five local authorities, there is a need to ensure that the company operates effectively and is transparent and accountable. The proposed EAS Audit and Risk Assurance Committee will be a key part of the Company's structure and will fulfil this role. This will enable local authority scrutiny committees to account for the performance and delivery of outcomes to young people.

4. REASONS:

- 4.1 The constituent local authorities of EAS each scrutinise the EAS in terms of their performance in raising educational attainment and Monmouthshire's Children and Young People's Select Committee have asked pertinent questions to ensure the company delivers outcomes for Monmouthshire's young people and value for money for the Council.
- 4.2 There is a need however for a formal overarching arrangement to focus on

the accountability of the EAS in relation to governance, finances, risk management and strategic direction, which would be best achieved via a joint arrangement, namely the EAS Audit and Risk Assurance Committee.

- 4.3 The terms of reference for the EAS Audit and Risk Assurance Committee are attached to this report, so that Members who may wish to be nominated can familiarise themselves with the role that they will play. It is anticipated that those nominated will periodically report to the Children and Young People's Select Committee to 'bridge the knowledge', to ensure a clear line of sight and to avoid any duplication in performing their distinct and respective remits.

5. RESOURCE IMPLICATIONS:

No financial implications arising from this report.

6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:

None arising from this report.

7. SAFEGUARDING AND CORPORATE PARENTING IMPLICATIONS

None arising from this report.

8. CONSULTEES:

Rob Tranter, Temporary Monitoring Officer and Head of Legal Services
Paul Matthews, Chief Executive
Tracey Harry, Head of Democracy and Regulatory Service

9. BACKGROUND PAPERS:

Report of the Chief Executive on the Education Achievement Service
Governance Changes

10. AUTHOR:

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Audit and Risk Assurance Committee

Establishment

The Education Achievement Service (EAS) Company Board wish to establish an Audit and Risk Assurance Committee to consist of two non-executive member from each of the five local authorities from the South East Wales Education (SEWC) region.

The Chair of the Committee will be derived from a Local Authority that is not currently chairing the Joint Executive Group (JEG) and the EAS Company Board.

Terms and Reference

The role and responsibilities of the audit committee are set out in these terms and reference and will be reviewed by the Company Board on an annual cycle or sooner if required.

1) Financial reporting, internal controls and external / internal auditors

- To monitor the integrity of the financial statements of the company.
- To review the company's internal financial controls.
- To monitor and review the effectiveness of the company's internal audit function.
- To make recommendations to the board in relation to the appointment of the external auditor and to approve the remuneration and terms of engagement of the external auditor.
- To review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements.

2) Risk management

- Review and assess the risk management of the company.
- Review and monitor the processes for assessing the completeness of the risk portfolio and changes thereto and identifying emerging risks, as well as understanding how the risks are managed.

3) Compliance with law and regulations

- To monitor and review HR policy and procedures and applied across the company.

- To monitor and review compliance with the current Welsh language measures act.
- To monitor and review compliance with the Health and Safety Act and the risk assessments where appropriate.
- To monitor and review the corporate governance agreement to ensure compliance and fit for purpose. To include Members, local authorities, Directors / Chief Education Officers and officers.

4) Technology

- To review ICT policies to ensure compliance across the company.
- To review measures in place to protect against Cybersecurity.
- To review and monitor the measures in place to protect data privacy and compliance with the transfer of sensitive pupil information.

5) Conflict of Interest

- To ensure that Members, Directors / Chief Education Officers and officers are free from conflicts that compromise judgement.

6) Reporting on Impact and Value for Money

- To review the integrity of systems developed to measure impact and value for money the SEWEAS is having on local authorities, schools and children and young people.

7) Report to the board on how it has discharged its responsibilities