



Report title: One CAM Referral

To: Audit and Governance Committee

Meeting Date: 24 September 2021

From: Robert Parkin
Monitoring Officer

Key decision: No

Recommendations: The Audit and Governance Committee is recommended to:

- a) To consider, comment upon and agree the scope and methodology of the audit review
- b) Invite the internal auditor, RSM (UK) to commence the review and to report back to a future meeting of the Audit and Governance Committee

Voting arrangements: a simple majority of all Members.

1. Purpose

- 1.1 This paper provides the Committee with a potential scope for an internal audit review of a Mayoral decision.

2. Background

- 2.1 Two members of the Combined Authority Board wrote to officers seeking to invite the Audit and Governance Committee to conduct an audit of the decisions leading to the suspension of activity on the One CAM project. At the time of the referral, there was no formal process of reference – however, the Chair of the Audit and Governance Committee has expressed support for the review, and discussions have taken place with the internal auditor, RSM.
- 2.2 The two Members of the Board have requested: *clarity on the governance surrounding the cessation of work on CAM; who took the decision and how the decision was taken and what*

part/s of the Constitution were being relied upon to ensure the proper governance of actions taken? These questions relate to both the actions of CPCA officers as well as the Mayor.

- 2.3 The focus of the review is as to governance and whether due governance process has been followed.

3. Scope and Methodology

- 3.1 The draft scope, outlined below, has been prepared and shared with the internal auditors, RSM (UK). The Committee is invited to comment upon it:

Review Scope

The scope of this review is restricted to looking at:

- how the Mayor's actions are covered constitutionally in terms of Governance
- what part of the Constitution is being relied upon for the Mayor and/or senior officer delegations to have ordered the ceasing of activity?
- is there any spend/spending commitment from the Combined Authority itself on the CAM programme or has it all been directed through One CAM Ltd?
- whether delegated powers were undertaken correctly in terms of Combined Authority policy
- should the Combined Authority Board have been called to take the decision to cease operations
- any conflict of interest in terms of the Company and the Combined Authority in decision-making

Outside the scope of the review:

- the authority of the Board and the Executive of One CAM Limited

- 3.2 The methodology for the review is outlined below:

Methodology

- desk-based research, ie, collating emails, minutes, Board papers related to the decision, etc.
- interviews
- potential evidence sessions within a Committee setting
- Technical advice made be sought, where appropriate

- 3.3 Once agreed a timescale and milestones for the audit review can be established. Initial considerations have concluded the review will take approximately two months to conduct. This is dependent upon external advice that might need to be provided. The Committee will receive updates on progress.

4. Financial Implications

- 4.1 No immediate financial implications.

5. Legal Implications

5.1 There are no significant legal implications identified currently.