

**FLINTSHIRE COUNTY COUNCIL**

**REPORT TO:**           **AUDIT COMMITTEE**

**DATE:**                 **WEDNESDAY, 30 JULY 2013**

**REPORT BY:**         **HEAD OF FINANCE**

**SUBJECT:**            **AUDIT COMMITTEE TERMS OF REFERENCE**

**1.00**   **PURPOSE OF REPORT**

1.01    To seek member's agreement to changes to the Audit Committee Terms of Reference, Article Seven in the Council Constitution.

**2.00**   **BACKGROUND**

2.01    It is good practice to consider the Terms of Reference of the committee on a regular basis. The Terms themselves state that this should be done annually.

2.02    The Role of the Audit Committee was updated last year to take into account the changes introduced by the Local Government Measure. However, at that time the remainder of the Terms were not reviewed.

2.03    The last review took place some years ago. During that time the areas of responsibility of the committee have widened considerably. The changes outlined below reflect current practice rather than expanding the areas of responsibility further.

2.04    A full review has now taken place and the proposed changes are shown in Appendix A.

**3.00**   **CONSIDERATIONS**

3.01    To aid clarity and show the changes more clearly, they are shown using track changes and under the existing overall headings. If they are agreed the bullet points will be re-ordered into the same four headings as in the Role.

3.02    The main changes are:-

- The role of the committee is clarified in terms of financial affairs.
- The work of the committee is specified for risk management, corporate governance, treasury management and collaborations.

- The review of the Anti Fraud and Corruption Strategy, Fraud Response Plan and Whistleblowing Policy is included.
- Reports from other regulatory bodies are included.
- Approval of the Internal Audit Charter, the receipt of the Annual Report and the monitoring of performance indicators is included
- A strengthening of reporting on the implementation of audit recommendations.
- From the Local Government Measure, the ability of the committee to require the presence of a member or officer (previously 'request').
- The frequency of meetings as laid down by the Local Government Measure – at least once a year, but as many as the committee wants.
- The training requirements for the committee.
- The need for the committee to act apolitically is stated.

3.03 After approval by the committee it is intended to take these changes and any further changes made by the committee to the Constitution Committee.

#### **4.00 RECOMMENDATIONS**

4.01 The committee is requested to consider and approve the changes, and make any amendments it feels necessary.

#### **5.00 FINANCIAL IMPLICATIONS**

5.01 None as a direct result of this report.

#### **6.00 ANTI POVERTY IMPACT**

6.01 None as a direct result of this report.

#### **7.00 ENVIRONMENTAL IMPACT**

7.01 None as a direct result of this report.

#### **8.00 EQUALITIES IMPACT**

8.01 None as a direct result of this report.

#### **9.00 PERSONNEL IMPLICATIONS**

9.01 None as a direct result of this report.

**10.00 CONSULTATION REQUIRED**

10.01 Audit Chair and Vice Chair, WAO, Chief Executive, Head of Finance, Head of Legal and Democratic Services, Democracy and Governance Manager.

**11.00 CONSULTATION UNDERTAKEN**

11.01 Audit Chair and Vice Chair, WAO, Chief Executive, Head of Finance, Head of Legal and Democratic Services, Democracy and Governance Manager.

**12.00 APPENDICES**

12.01 Draft Terms of Reference for the Audit Committee.

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985  
BACKGROUND DOCUMENTS**

Local Government Measure 2011 and Guidance to the Measure.

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