

GWYNEDD COUNCIL

COMMITTEE	AUDIT COMMITTEE
DATE	12 JULY 2012
TITLE	FUNCTIONS OF THE AUDIT COMMITTEE
PURPOSE OF REPORT	TO PRESENT THE NEW DRAFT TERMS OF REFERENCE TO THE AUDIT COMMITTEE FOR CONSIDERATION
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ACTION	TO COMMENT ON THE CONTENTS

1. GWYNEDD COUNCIL'S AUDIT COMMITTEE

- 1.1 Gwynedd Council's Audit Committee was established in 1999, making it one of the first local authorities in Wales to do so. The Terms of Reference at the time were based on the Audit Commission's publication *Called to Account - The Role of Audit Committees in Local Government* (1996).
- 1.2 Since then, the core role and purpose of the Audit Committee has remained constant, but over time its role has evolved as it has developed new functions.
- 1.3 Although the establishment of an Audit Committee has been considered as good practice by bodies such as CIPFA for several years, it is with the implementation of the Local Government (Wales) Measure 2011 they have become mandatory in Wales.
- 1.4 Although the Measure allows the Council to confer any suitable functions to the Committee (and the Committee itself is to decide how to exercise its functions), the Measure also sets out the functions that the Committee must undertake.
- 1.5 However, little practical change will be seen found in the function of the Committee as it operates here in Gwynedd as a result of the statutory requirements. One significant new function is the need for the Committee itself to prepare its own specific reports, but apart from that the key functions are already being fulfilled by the Committee.

2. THE AUDIT COMMITTEE'S TERMS OF REFERENCE

- 2.1 New draft Terms of Reference are included as an Appendix. These terms of reference are based on the requirements of the Local Government Measure and the Statutory Guidance that have been prepared to support it. The relevant parts of the Measure and Guidance are also included.

3. RECOMMENDATION

- 3.1 The Audit Committee is requested to consider the contents of its draft Terms of Reference and comment on its contents.