
REPORT TO THE GOVERNANCE AND AUDIT SUB-COMMITTEE

9th December, 2025

TITLE: Terms of Reference for the Governance and Audit Sub-Committee

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1. PURPOSE OF THE REPORT

- 1.1. To review the Terms of Reference for the Governance and Audit Sub-Committee (Appendix 1).

2. DECISION SOUGHT

- 2.1. To note the Terms of Reference

3. REASON FOR THE DECISION

- 3.1. The Terms of Reference reflect the role and function of the sub-committee as set out in the North Wales Corporate Joint Committee Regulations 2021 and the Corporate Joint Committee's Constitution. The sub-committee has specific statutory functions it must exercise as set out in the Terms of Reference.

4. BACKGROUND AND RELEVANT CONSIDERATIONS

- 4.1. The CJC must establish a Governance and Audit Sub-Committee. The Sub-Committee has the following functions as set out in the 2021 Regulations:

- review and scrutinise the CJC's financial affairs;
- make reports and recommendations in relation to the CJC's financial affairs;
- review and assess the risk management, internal control, performance management and corporate governance arrangements of the CJC;
- make reports and recommendations to the CJC on the adequacy and effectiveness of those arrangements;
- review and assess the CJC's ability to handle complaints effectively;
- make reports and recommendations in relation to the CJC's ability to handle complaints effectively;
- oversee the CJC's internal and external audit arrangements, and
- review the financial statements prepared by the CJC;
- exercise such other function as the CJC may specify.

- 4.2. Consolidated statutory (and non-statutory) Guidance intended to support principal councils applies equally to the CJC. This Guidance states that to meet requirements under the Local Government Act 2000, the Local Government (Wales) Measure 2011 and the Local Government and Elections (Wales) Act 2021 the Welsh Government's view is that well-functioning governance and audit committees are critical to the effective governance of councils (and CJs). The Governance and Audit Sub-Committee will be a key component of the CJC's corporate governance.

- 4.3. The Sub-Committee has specific powers set out in the 2021 Regulations and reflected in their Terms of Reference to review and scrutinise the CJC's financial affairs, review and assess risk management, internal control, performance management and corporate governance arrangements.
- 4.4. The CJC has adopted Standing Orders and the Terms of Reference for this Sub-Committee. In accordance with the legislative requirements set out in the 2021 Regulations there will be nine members of the Governance and Audit Sub-Committee, with six members from Constituent Councils, and three independent (lay) members. Following a nomination exercise by the Councils the CJC formally appointed the members in January, who have all since been co-opted onto the Sub-Committee.
- 4.5. The attached Terms of Reference are shown with track changes to illustrate changes made since adoption by the CJC. Changes to the Constitution to remove any inconsistency, ambiguity or typographical error are delegated to the Monitoring Officer, and the Terms of Reference are being shared to inform the sub-committee as their role and function. The Constitution is being updated accordingly.

5. FINANCIAL IMPLICATIONS

- 5.1. On 6 September 2024 the CJC approved an hourly rate be adopted in relation to the IRPW Determination for lay co-optees. This means that lay members will be able to claim remuneration in relation to their preparation and attendance at formal meetings of £29.75 per hour, up to 4 hours at £119, and over 4 hours the rate is £238. The Chair can claim £33.50 per hours, up to 4 hours at £134, and over 4 hours the rate is £268. This remuneration is payable by the CJC.

6. LEGAL IMPLICATIONS

- 6.1. The legal and governance implications are addressed in the body of the report.

APPENDICES:

Appendix 1: Terms of Reference for the Governance and Audit Sub-Committee

STATUTORY OFFICERS RESPONSE:

i. Monitoring Officer:

I have no comments to add in relation to propriety

ii. Statutory Finance Officer:

I support the contents of the terms of reference, and I am of the opinion that they are appropriate for the CJC. Any claim by lay members creates a small additional financial commitment but this is expected to be within the budget for democratic support.