

Audit Committee
Review of constitutional role of the Committee
TASK and FINISH GROUP
DRAFT Terms of Reference v2.4

Preamble

- There is a need to ensure that the roles of the Audit Committee and other bodies with related remits (such as the Overview and Scrutiny Financial Planning Task Group and the Corporate Assurance Group) are clearly delineated within the Constitution.
- Specifically there is a need to clarify responsibilities regarding risk and performance management, which have not been the subject of regular consideration by the Audit Committee
- Protocol 11 of the Constitution describes the Audit Committee as being an “Interested Committee” with regard to “process and soundness of information” regarding the Medium Term Financial Strategy, Budget Setting, Budget Monitoring. Historically these have not been reflected in the Audit Committee’s work programme.
- Protocol 11 also shows the Audit Committee as being the Lead Body on Partnership Governance. Again, historically the Committee has not addressed this area of work.

The purpose of the Task and Finish Group

To ensure that the council's Constitution sets out the role of the Audit Committee vis-a-vis other committees and scrutiny bodies ensuring clarity of their separate and distinct roles in corporate governance.

To review and agree the role of the Audit Committee in light of changing external, and new internal business planning, environments to ensure that the Committee contributes efficiently and effectively towards promoting and maintaining sound corporate governance and decision-making within the council.

Composition and Process

1 Membership

The Group will be made up of:

- 3 representatives from Audit Committee
- 1 Representative from Cabinet
- 1 Representative from Standards Committee
- 1 Representative from Management Overview & Scrutiny

Note that one individual could act in two of the above representative capacities.

2 Process

At least three meetings will be required as follows:

Meeting one To agree what is to be achieved, how it is to be achieved and what data and management information is required. This could include:

- Appraisal of the current provisions of the Council's Constitution with regard to the role and responsibilities of the Audit and other committees.
- Setting out data to be gathered on Audit Committees across local government and other public and quasi-public sector bodies, as well as the private sector. This might include: scope of responsibilities, membership, competence and decision-making frameworks, types of reports, frequency, development programmes, etc.
- Establishing what best practice advice exists, such as NAO, CIFPA, PSAA or FCA, and what new requirements are likely to emerge in the next 12 to 24 months.
- Clarity on statutory and external audit/inspection requirements.
- Drawing up option appraisal criteria having regard to 'healthy organisation' considerations.

Meeting two To set out and appraise options against the criteria established at the first meeting and discuss how they would suit the culture and processes at Wiltshire Council.

Meeting three – Draw up proposals and recommendations to the Council's Standards Committee via its Sub Group – the Constitutional Focus Group - for consideration for passing to Cabinet and Full Council:
To agree presentation of the options and recommendations, as well as diarising next steps and roles in presenting.

Outputs

Meeting One

- Agreement of Terms of Reference
- Information requirements
- Options appraisal criteria
- Agree options for further work
- Timetable for delivery

- Briefing paper for Audit Committee

February 14th Audit Committee – Seek approval of Terms of Reference and proposals for next steps.

Meeting Two

- Consideration of options and actions to develop guidance for drafting paper for meeting three.

Meeting Three

- Draft paper / amendments for presenting to the Constitutional Focus Group and hence Cabinet

Additional Audit Committee late March - seek approval of paper to be submitted to Standards Committee on 18th April. (This will also allow for IA and EA Plans to be agreed before / just as new financial year starts.)

- Post Audit Committee
 - Report to Standards Committee (18th April 2018) and thence Council (22nd May 2018)

Resources

The Task and Finish Group will be supported by:

- Directors of Finance, Legal and Corporate Office
- Internal Audit
- Democratic Services

Timescales

- Meeting One – Mid January
- Audit Committee – 14th February
- Meeting Two Late February
- Meeting Three – Mid March
- Additional Audit Committee late March / early April
- Constitutional Focus Group to be arranged before 11th April in order to get papers to Standards in time for:
- Standards Committee – 18th April 2018
- Full Council – 22nd May 2018