

Report to	<b>Audit Committee</b>
Date	<b>28/01/19</b>
Lead Officer	<b>Colin Everett, Clerk to the Authority</b>
Contact Officer	<b>Gareth Owens, Deputy Clerk (01745 535286)</b>
Subject	<b>Review of the Audit Committee's Terms of Reference</b>



## **PURPOSE OF REPORT**

- 1 The report is presented to give members the opportunity to review the Audit Committee's terms of reference.

## **EXECUTIVE SUMMARY**

- 2 It is considered good practice to periodically review the terms of reference; the proposed changes are shown in appendix A.

## **RECOMMENDATIONS**

- 3 That members recommend the revised terms of reference to the Authority for inclusion in the constitution.

## **BACKGROUND**

- 4 As Members will be aware the FRA is not obliged to have an Audit Committee but it is obliged to have an overview and scrutiny committee. The Authority chose to merge the audit functions with those of scrutiny to avoid an unnecessarily burdensome democratic structure. Its terms of reference are an amalgam of the roles of an overview and scrutiny committee and the majority of functions of an audit committee in a county council.

## **INFORMATION**

- 5 The terms of reference for the Audit Committee were introduced in 2010. It is appropriate to review them now to ensure that they remain up to date, relevant and to ensure that they reflect current guidance on best practice.

- 6 CIPFA publishes guidance on the role of Audit Committees in public authorities and that guidance was revised in 2018. The audit elements of the terms of reference have been reviewed in accordance with the revised guidance. Certain parts of the text have been expanded to give greater explanation or emphasis of what is required of the committee. There are a number of suggested changes shown in the attached document.
  
- 7 In doing so it is important to note that no new tasks or functions were identified for the Audit Committee that it does not already undertake in practice. That is to say the Committee already undertakes all of the tasks and functions described in the revised text but that fact is now documented or is described in more detail than before (e.g. the expanded section on responsibility for overseeing internal and external audit).