

BRIDGEND COUNTY BOROUGH COUNCIL

**REPORT TO AUDIT COMMITTEE
8th July 2010**

REPORT OF THE HEAD OF PROPERTY & FINANCE

Proposed Amendment of the Audit Committee's Terms of Reference

1. Purpose of Report.

1. To present to the Committee the proposed amendments to the Audit Committee's Terms of Reference for information.

2. Connection to Corporate Improvement Plan / Other Corporate Priority.

- 2.1. None.

3. Background

- 3.1. The current responsibilities of the Audit Committee are set out in Appendix 1.
- 3.2. The Chartered Institute of Public Finance and Accountancy (CIPFA) have published "Audit Committees – Practical Guidance for Local Authorities". This guidance sets out the core functions which the Audit Committee should carry out in order to be effective.
- 3.3. Effective Audit Committees help raise the profile of internal control, risk management and financial reporting issues within an organisation, as well as providing a forum for the discussion of issues raised by internal and external auditors. Audit Committees enhance public trust and confidence in the financial governance of an authority.

4. Current situation / proposal

- 4.1. It is proposed that the responsibilities of the Audit Committee be amended, as set out in Appendix 2, to reflect the CIPFA guidance and to clearly differentiate between its role and that of the Council's Scrutiny Committees.
- 4.2. The proposed amendments have already been reviewed by the Council's Monitoring Officer and it is envisaged that the amendments will be put before Council in September 2010 for approval and the consequential amendment of Part 3 of the Constitution.

5. Effect upon Policy Framework & Procedure Rules.

- 5.1. Proposed changes to the Council's Constitution are in the body of the report.

6. Legal Implications.

6.1. There are no Legal Implications

7. Financial Implications.

7.1. None

8. Recommendation.

8.1. That Members note the report

Allan Phillips
Head of Property & Finance
22nd June 2010

Contact Officer: Helen Smith – Chief Internal Auditor

Telephone: (01656) 754901

E-mail: internalaudit@bridgend.gov.uk

Postal Address

Bridgend County Borough Council
Internal Audit
Brackla House
Brackla Street
Bridgend
CF31 1BZ

Background Documents

None