



<u>Committee and Date</u>	<u>Item</u>
Council	<b>15</b>
3 May 2012	
10 am	
	<u>Public</u>

## REVIEW OF AUDIT COMMITTEE TERMS OF REFERENCE

**Responsible Officer** Rachel Musson  
e-mail: rachel.musson@shropshire.go.uk Tel: 01743 252007

### 1. Summary

The Localism Act 2010 abolishes the requirement for the Council to have a Standards Committee. One of the responsibilities of the Council's Standards Committee was for the monitoring and overview of the Whistleblowing; 'Speaking up about Wrongdoing' policy. Given the Audit Committee's responsibilities in relation to seeking assurance on the Council's anti-fraud, bribery and corruption environment, at their meeting on the 22<sup>nd</sup> March 2012, Members recommended that responsibility for this function be adopted by the Audit Committee and that this proposal should be taken to Full Council for approval.

### 2. Recommendations

Members are asked to consider and endorse the proposal for the Audit Committee to accept responsibility for the monitoring and overview of the Whistleblowing arrangements and resulting adjustments to the current Audit Committee Terms of Reference to reflect this as set out in **Appendix A** of this report.

## REPORT

### 3. Risk Assessment and Opportunities Appraisal

- 3.1 With the abolition of the Standards Committee it is important that responsibility for its tasks are considered and reallocated to other responsible bodies as appropriate. Adoption of the responsibilities for monitoring and overview of the Whistleblowing arrangements by the Audit Committee will ensure that they

are managed effectively and that the Council is safeguarded against unacceptable behaviour.

- 3.2 The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998. There are no direct environmental, equalities, consultation or climate change consequences of this proposal.

#### 4. Financial Implications

There are no financial implications.

#### 5. Background

- 5.1 Part of the responsibility of the Audit Committee identified in its Terms of Reference is to; 'consider the effectiveness of the authority's risk management arrangements, the control environment and associated counter fraud and anti-corruption arrangements.'
- 5.2 Whistleblowing policies provide arrangements to enable employees, members, contractors and the public to raise concerns about fraud, corruption, adult protection or harassment and bullying allegations. It is felt that the Audit Committees' responsibilities have the closest fit for future reports to be made in relation to the Whistleblowing policies and its effectiveness.
- 5.3 To reflect this proposal, the Terms of Reference have been updated and the proposed changes are reflected in bold type in **Appendix A**.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)** Audit Committee Practical Guidance for Local Authorities CIPFA 2006  
TIS Online CIPFA November 2008 Audit Committee, Localism Act 2010

Audit Committee report 22 March 2012

**Cabinet Member (Portfolio Holder)** Keith Barrow (Leader of the Council) and Brian Williams (Chairman of Audit Committee)

**Local Member** N/A

**Appendices** Audit Committee Terms of Reference