



# Local Government (Wales) Measure 2011

2011 nawm 4

## PART 6

### OVERVIEW AND SCRUTINY

#### CHAPTER 2

#### [<sup>F1</sup>GOVERNANCE AND] AUDIT COMMITTEES

##### Textual Amendments

- F1** Words in Pt. 6 Ch. 2 title inserted (1.4.2021) by [Local Government and Elections \(Wales\) Act 2021](#) (asc 1), s. 175(7), [Sch. 10 para. 2](#); S.I. 2021/297, reg. 2(h)

#### 81 Local authorities to appoint [<sup>F2</sup>governance and] audit committees

- (1) A local authority must appoint a committee [<sup>F3</sup>(a “governance and audit committee”)] to—
- (a) review and scrutinise the authority's financial affairs,
  - (b) make reports and recommendations in relation to the authority's financial affairs,
  - (c) review and assess the risk management, internal control [<sup>F4</sup>, performance assessment] and corporate governance arrangements of the authority,
  - (d) make reports and recommendations to the authority on the adequacy and effectiveness of those arrangements,
  - [<sup>F5</sup>(da) review and assess the authority's ability to handle complaints effectively,
  - (db) make reports and recommendations in relation to the authority's ability to handle complaints effectively,]
  - (e) oversee the authority's internal and external audit arrangements, and
  - (f) review the financial statements prepared by the authority.

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*Changes to legislation: There are currently no known outstanding effects for the Local Government (Wales) Measure 2011, CHAPTER 2. (See end of Document for details)*

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- [<sup>F6</sup>(1A) See Chapter 1 of Part 6 of the Local Government and Elections (Wales) Act 2021 (performance and governance of principal councils) for further functions of governance and audit committees.]
- (2) A local authority may confer on its [<sup>F7</sup>governance and] audit committee such other functions as the authority considers suitable to be exercised by such a committee.
- (3) It is for [<sup>F8</sup>a governance and] audit committee to determine how to exercise its functions.

#### Textual Amendments

- F2** Words in s. 81 heading inserted (1.4.2021) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), s. 175(7), [Sch. 10 para. 3\(c\)](#); S.I. 2021/297, reg. 2(h)
- F3** Words in s. 81(1) substituted (1.4.2021) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), [ss. 115\(2\)](#), 175(7); S.I. 2021/297, reg. 2(b)
- F4** Words in s. 81(1)(c) inserted (1.4.2021) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), [ss. 115\(3\)](#), 175(7); S.I. 2021/297, reg. 2(b)
- F5** S. 81(1)(da)(db) inserted (1.4.2021) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), [ss. 115\(4\)](#), 175(7); S.I. 2021/297, reg. 2(b)
- F6** S. 81(1A) inserted (1.4.2021) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), [ss. 115\(5\)](#), 175(7); S.I. 2021/297, reg. 2(b)
- F7** Words in s. 81(2) inserted (1.4.2021) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), s. 175(7), [Sch. 10 para. 3\(a\)](#); S.I. 2021/297, reg. 2(h)
- F8** Words in s. 81(3) substituted (1.4.2021) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), s. 175(7), [Sch. 10 para. 3\(b\)](#); S.I. 2021/297, reg. 2(h)

#### Commencement Information

- I1** S. 81 in force at 30.4.2012 by [S.I. 2012/1187](#), [art. 2\(1\)\(j\)](#)

## 82 Membership

- (1) A local authority is to appoint the members of its [<sup>F9</sup>governance and] audit committee.
- (2) A local authority must secure that—
- (a) <sup>F10</sup>... two-thirds of the members of [<sup>F11</sup>that committee] are members of the authority;
  - [<sup>F12</sup>(b) one-third of the members of that committee are lay persons;]
  - (c) no more than one of the members of [<sup>F13</sup>that committee] is a member of the authority's executive [<sup>F14</sup>(but see subsection (8))][<sup>F15</sup>or an assistant to its executive];
  - (d) the senior member of its executive is not a member of [<sup>F16</sup>that committee].
- (3) Subsection (2)(c) does not require the membership of a local authority's [<sup>F17</sup>governance and] audit committee to include a member of the authority's executive [<sup>F18</sup>or an assistant to its executive].
- (4) The appointment of a person as a member of [<sup>F19</sup>a governance and] audit committee has no effect if the membership of the committee breaches subsection (2) immediately after the appointment (whether or not by virtue of the appointment).

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(5) In a case where one or more persons are to become, or to cease to be, members of [F20a governance and] audit committee at a particular time, all those changes of membership are to be taken into account in determining whether the membership of the committee breaches subsection (2).

[F21(5A) A governance and audit committee is to appoint—

- (a) a member of the committee as its chair (“the committee chair”), and
- (b) a member of the committee as the deputy to the committee chair (“the deputy chair”).

(5B) The member appointed as the committee chair must be a lay person.

(5C) The member appointed as the deputy chair must not be a member of the local authority's executive or an assistant to its executive.]

F22(6) . . . . .

[F23(7) [F24 A governance and] audit committee is to be treated as a body to which section 15 of the Local Government and Housing Act 1989 (duty to allocate seats to political groups) applies.]

[F25(8) If two or more members of a local authority are appointed to the executive to share office, more than one of those members may be appointed to its governance and audit committee (and if they are so appointed, together they count as one executive member for the purposes of subsection (2)(c)).]

#### Textual Amendments

- F9** Words in s. 82(1) inserted (1.4.2021) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), s. 175(7), [Sch. 10 para. 4\(a\)](#); S.I. 2021/297, reg. 2(h)
- F10** Words in s. 82(2)(a) omitted (5.5.2022) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), [ss. 116\(2\)\(a\)](#), 175(7); S.I. 2021/297, art. 3(b)
- F11** Words in s. 82(2)(a) substituted (1.4.2021) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), s. 175(7), [Sch. 10 para. 4\(b\)\(i\)](#); S.I. 2021/297, reg. 2(h)
- F12** S. 82(2)(b) substituted (5.5.2022) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), [ss. 116\(2\)\(b\)](#), 175(7); S.I. 2021/297, art. 3(b)
- F13** Words in s. 82(2)(c) substituted (1.4.2021) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), s. 175(7), [Sch. 10 para. 4\(b\)\(iii\)](#); S.I. 2021/297, reg. 2(h)
- F14** Words in s. 82(2)(c) inserted (13.5.2022) by [The Local Government and Elections \(Wales\) Act 2021 \(Consequential Amendments\) \(Job-sharing and Assistants to the Executive\) Regulations 2022 \(S.I. 2022/533\)](#), regs. 1(2), [2\(5\)\(a\)](#)
- F15** Words in s. 82(2)(c) inserted (5.5.2022) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), s. 175(7), [Sch. 6 para. 6\(4\)\(a\)](#); S.I. 2021/231, art. 6(t) (as substituted by S.I. 2021/1249, art. 3(2))
- F16** Words in s. 82(2)(d) substituted (1.4.2021) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), s. 175(7), [Sch. 10 para. 4\(b\)\(iv\)](#); S.I. 2021/297, reg. 2(h)
- F17** Words in s. 82(3) inserted (1.4.2021) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), s. 175(7), [Sch. 10 para. 4\(c\)](#); S.I. 2021/297, reg. 2(h)
- F18** Words in s. 82(3) inserted (5.5.2022) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), s. 175(7), [Sch. 6 para. 6\(4\)\(b\)](#); S.I. 2021/231, art. 6(t) (as substituted by S.I. 2021/1249, art. 3(2))
- F19** Words in s. 82(4) substituted (1.4.2021) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), s. 175(7), [Sch. 10 para. 4\(d\)](#); S.I. 2021/297, reg. 2(h)
- F20** Words in s. 82(5) substituted (1.4.2021) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), s. 175(7), [Sch. 10 para. 4\(e\)](#); S.I. 2021/297, reg. 2(h)

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- F21** S. 82(5A)-(5C) inserted (5.5.2022) by Local Government and Elections (Wales) Act 2021 (asc 1), **ss. 116(3)**, 175(7); S.I. 2021/297, art. 3(b)
- F22** S. 82(6) omitted (5.5.2022) by virtue of Local Government and Elections (Wales) Act 2021 (asc 1), **ss. 116(4)**, 175(7); S.I. 2021/297, art. 3(b)
- F23** S. 82(7) inserted (30.9.2013) by Local Government (Democracy) (Wales) Act 2013 (anaw 4), **ss. 61**, 75(2)(d)
- F24** Words in s. 82(7) substituted (1.4.2021) by Local Government and Elections (Wales) Act 2021 (asc 1), s. 175(7), **Sch. 10 para. 4(g)**; S.I. 2021/297, reg. 2(h)
- F25** S. 82(8) inserted (13.5.2022) by The Local Government and Elections (Wales) Act 2021 (Consequential Amendments) (Job-sharing and Assistants to the Executive) Regulations 2022 (S.I. 2022/533), regs. 1(2), **2(5)(b)**

#### Commencement Information

- I2** S. 82 in force at 30.4.2012 by S.I. 2012/1187, **art. 2(1)(j)**

#### [<sup>F26</sup>83 Proceedings etc

- (1) A meeting of a governance and audit committee is to be chaired—
  - (a) by the committee chair, or
  - (b) if the committee chair is absent, by the deputy chair.
- (2) If both the committee chair and the deputy chair are absent the committee may appoint a member of the committee who is not a member of the local authority's executive, or an assistant to its executive, to chair the meeting.]
- (3) All members of [<sup>F27</sup>a governance and] audit committee may vote on any question that falls to be decided by the committee.
- [<sup>F28</sup>(3A) If two or more members of a governance and audit committee are members of the executive who share office, those members have between them one vote for the purposes of subsection (3).]
- (4) [<sup>F29</sup>A governance and] audit committee of a local authority—
  - (a) may require members and officers of the authority to attend before it to answer questions, and
  - (b) may invite other persons to attend meetings of the committee.
- (5) It is the duty of any member or officer of a local authority to comply with any requirement imposed under subsection (4)(a).
- (6) A person is not obliged by subsection (5) to answer any question which the person would be entitled to refuse to answer in, or for the purposes of, proceedings in a court in England and Wales.
- (7) [<sup>F30</sup>A governance and] audit committee is to be treated as a committee of a principal council for the purposes of Part 5A of the Local Government Act 1972 (access to meetings and documents of certain authorities, committees and sub-committees).
- <sup>F31</sup>(8) .....

#### Textual Amendments

- F26** S. 83(1)(2) substituted (5.5.2022) by Local Government and Elections (Wales) Act 2021 (asc 1), **ss. 118(2)**, 175(7); S.I. 2021/297, art. 3(b)

*Changes to legislation:* There are currently no known outstanding effects for the Local Government (Wales) Measure 2011, CHAPTER 2. (See end of Document for details)

- F27** Words in s. 83(3) substituted (1.4.2021) by Local Government and Elections (Wales) Act 2021 (asc 1), s. 175(7), **Sch. 10 para. 5(c)**; S.I. 2021/297, reg. 2(h)
- F28** S. 83(3A) inserted (13.5.2022) by The Local Government and Elections (Wales) Act 2021 (Consequential Amendments) (Job-sharing and Assistants to the Executive) Regulations 2022 (S.I. 2022/533), regs. 1(2), **2(6)**
- F29** Words in s. 83(4) substituted (1.4.2021) by Local Government and Elections (Wales) Act 2021 (asc 1), s. 175(7), **Sch. 10 para. 5(d)**; S.I. 2021/297, reg. 2(h)
- F30** Words in s. 83(7) substituted (1.4.2021) by Local Government and Elections (Wales) Act 2021 (asc 1), s. 175(7), **Sch. 10 para. 5(e)**; S.I. 2021/297, reg. 2(h)
- F31** S. 83(8) omitted (5.5.2022) by virtue of Local Government and Elections (Wales) Act 2021 (asc 1), **ss. 118(3), 175(7)**; S.I. 2021/297, art. 3(b)

#### Commencement Information

- I3** S. 83 in force at 30.4.2012 by S.I. 2012/1187, **art. 2(1)(j)**

## 84 Frequency of meetings

- (1) [<sup>F32</sup>A governance and] audit committee must meet once in every calendar year.
- (2) The [<sup>F33</sup>governance and] audit committee of a local authority must also meet if—
- the local authority resolves that the committee should meet, or
  - at least one-third of the members of the committee requisition a meeting by one or more notices in writing given to the person who chairs the committee.
- [<sup>F34</sup>(2A) If two or more members of a governance and audit committee are members of the executive who share office, those members together count only as one member of the committee for the purposes of subsection (2)(b).]
- (3) It is the duty of the person who chairs [<sup>F35</sup>a governance and] audit committee to secure that meetings of the committee are held as required by subsections (1) and (2).
- (4) This section does not prevent [<sup>F36</sup>a governance and] audit committee from meeting otherwise than as required by this section.

#### Textual Amendments

- F32** Words in s. 84(1) substituted (1.4.2021) by Local Government and Elections (Wales) Act 2021 (asc 1), s. 175(7), **Sch. 10 para. 6(a)**; S.I. 2021/297, reg. 2(h)
- F33** Words in s. 84(2) inserted (1.4.2021) by Local Government and Elections (Wales) Act 2021 (asc 1), s. 175(7), **Sch. 10 para. 6(b)**; S.I. 2021/297, reg. 2(h)
- F34** S. 84(2A) inserted (13.5.2022) by The Local Government and Elections (Wales) Act 2021 (Consequential Amendments) (Job-sharing and Assistants to the Executive) Regulations 2022 (S.I. 2022/533), regs. 1(2), **2(7)**
- F35** Words in s. 84(3) substituted (1.4.2021) by Local Government and Elections (Wales) Act 2021 (asc 1), s. 175(7), **Sch. 10 para. 6(c)**; S.I. 2021/297, reg. 2(h)
- F36** Words in s. 84(4) substituted (1.4.2021) by Local Government and Elections (Wales) Act 2021 (asc 1), s. 175(7), **Sch. 10 para. 6(d)**; S.I. 2021/297, reg. 2(h)

#### Commencement Information

- I4** S. 84 in force at 30.4.2012 by S.I. 2012/1187, **art. 2(1)(j)**

*Changes to legislation: There are currently no known outstanding effects for the Local Government (Wales) Measure 2011, CHAPTER 2. (See end of Document for details)*

## 85 Guidance

- (1) The Welsh Ministers may give guidance to local authorities—
  - (a) about the functions of [<sup>F37</sup>governance and] audit committees and the exercise of those functions, or
  - (b) about the membership of [<sup>F38</sup>such] committees.
- (2) A local authority and its [<sup>F39</sup>governance and] audit committee must have regard to guidance given by the Welsh Ministers under subsection (1).

### Textual Amendments

- F37** Words in s. 85(1)(a) inserted (1.4.2021) by Local Government and Elections (Wales) Act 2021 (asc 1), s. 175(7), **Sch. 10 para. 7(a)(i)**; S.I. 2021/297, reg. 2(h)
- F38** Word in s. 85(1)(b) substituted (1.4.2021) by Local Government and Elections (Wales) Act 2021 (asc 1), s. 175(7), **Sch. 10 para. 7(a)(ii)**; S.I. 2021/297, reg. 2(h)
- F39** Words in s. 85(2) inserted (1.4.2021) by Local Government and Elections (Wales) Act 2021 (asc 1), s. 175(7), **Sch. 10 para. 7(b)**; S.I. 2021/297, reg. 2(h)

### Commencement Information

- I5** S. 85 in force at 30.4.2012 by S.I. 2012/1187, **art. 2(1)(j)**

## 86 Termination of membership on ceasing to be member of authority

- (1) This section applies to a person (P) who is—
  - (a) appointed to be a member of [<sup>F40</sup>a governance and] audit committee of a local authority, and
  - (b) is a member of the authority at the time of that appointment.
- (2) If P ceases to be a member of the authority, P also ceases to be a member of the [<sup>F41</sup>governance and] audit committee.
- (3) But subsection (2) does not apply if P—
  - (a) ceases to be a member of the authority by reason of retirement, and
  - (b) is re-elected a member of the authority not later than the day of retirement.
- (4) Subsection (3) is subject to the standing orders of the authority or the [<sup>F42</sup>governance and] audit committee.

### Textual Amendments

- F40** Words in s. 86(1)(a) substituted (1.4.2021) by Local Government and Elections (Wales) Act 2021 (asc 1), s. 175(7), **Sch. 10 para. 8(a)**; S.I. 2021/297, reg. 2(h)
- F41** Words in s. 86(2) inserted (1.4.2021) by Local Government and Elections (Wales) Act 2021 (asc 1), s. 175(7), **Sch. 10 para. 8(b)**; S.I. 2021/297, reg. 2(h)
- F42** Words in s. 86(4) inserted (1.4.2021) by Local Government and Elections (Wales) Act 2021 (asc 1), s. 175(7), **Sch. 10 para. 8(c)**; S.I. 2021/297, reg. 2(h)

### Commencement Information

- I6** S. 86 in force at 30.4.2012 by S.I. 2012/1187, **art. 2(1)(j)**

*Changes to legislation:* There are currently no known outstanding effects for the Local Government (Wales) Measure 2011, CHAPTER 2. (See end of Document for details)

## 87 Interpretation etc

(1) Expressions used in this Chapter and in Part 2 of the Local Government Act 2000 (or in an instrument made under that Part of that Act) have the same meanings in this Chapter as in that Part of that Act (or in that instrument).

(2) In this Chapter—

F43

...

F44

...

[<sup>F45</sup>“lay person” (“*lleygwr*”) means a person who—

- (a) is not a member or an officer of any local authority,
- (b) has not at any time in the period of twelve months ending with the date of that person's appointment been a member or an officer of any local authority, and
- (c) is not the spouse or civil partner of a member or an officer of any local authority;]

“senior member of a local authority” (“*aelod hŷn awdurdod lleol*”) means—

- (a) in the case of a local authority which operates a leader and cabinet executive (Wales), the executive leader;
- (b) in the case of a local authority which operates a mayor and cabinet executive, the mayor.

<sup>F46</sup>(3) .....

### Textual Amendments

**F43** Words in s. 87(2) omitted (1.4.2021) by virtue of [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), s. 175(7), **Sch. 10 para. 9**; S.I. 2021/297, reg. 2(h)

**F44** Words in s. 87(2) omitted (5.5.2022) by virtue of [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), **ss. 117**, 175(7); S.I. 2021/297, **art. 3(b)**

**F45** Words in s. 87(2) inserted (5.5.2022) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), **ss. 117**, 175(7); S.I. 2021/297, art. 3(b)

**F46** S. 87(3) repealed (10.7.2011) by [Local Government \(Wales\) Measure 2011 \(nawm 4\)](#), s. 178(2), **Sch. 4 Pt. B** (with s. 36(5)-(8))

### Commencement Information

**I7** S. 87 in force at 30.4.2012 by S.I. 2012/1187, **art. 2(1)(j)**

**Changes to legislation:**

There are currently no known outstanding effects for the Local Government (Wales) Measure 2011, CHAPTER 2.