

LOCAL GOVERNMENT AND ELECTIONS (WALES) ACT 2021

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 6: Performance and Governance Of Principal Councils

Chapter 2: Governance and Audit Committees: Membership and Proceedings

Section 116 - Membership of governance and audit committee

514. **Section 116** of the Act amends section 82 of the 2011 Measure in order to increase the number of lay members on a governance and audit committee.
515. Before amendment, the situation under section 82 of the 2011 Measure is that at least two thirds of the members of a governance and audit committee must be members of the principal council and at least one member of the governance and audit committee must be a lay member.
516. After amendment, the situation is that two thirds of the members of a governance and audit committee must be members of the council and one third must be lay persons.
517. In addition, three subsections ((5A), (5B) and (5C)) are added to section 82 of the 2011 Measure. These provide that a governance and audit committee must appoint a committee chair and deputy chair. The committee chair must be a lay person and the deputy chair must not be a member of the council's executive or an assistant to its executive.

Section 117 - Meaning of lay person

518. **Section 117** of the Act amends section 87 of the 2011 Measure. It imposes additional limits on who may be a "lay" member of a governance and audit committee.

Section 118 - Proceedings etc.

519. This section amends section 83 of the 2011 Measure changing arrangements for chairing of meetings. Before amendment section 83 required that an audit committee must appoint one of its number as chair. This person may be a member of the principal council or a lay member but must not be a member of an executive group. If there are no opposition groups, the person who is to chair the audit committee may be a member of an executive group but must not be a member of the council's executive.
520. After amendment, a meeting of a governance and audit committee is to be chaired by the committee chair (which will now be appointed under section 82) or, in the chair's absence, by the deputy chair. If both are absent, the committee may appoint another member of the committee (who may not be a member of the council's executive or an assistant to the executive) to chair the meeting.