

AUDIT AND GOVERNANCE COMMITTEE

1. AIMS AND OBJECTIVES

Within the Terms of Reference of, and under the powers and authority delegated to, the Committee, to provide assurance on the adequacy of the Council's governance, risk management and internal control environment.

2. CONSTITUTION AND POWERS

- (i) The Audit and Governance Committee will comprise nine Members.
- (ii) Political balance will apply.
- (iii) The quorum of the Audit and Governance Committee will be three Members.
- (iv) The Audit and Governance Committee may appoint Task and Finish Working Groups, the membership of which may include any Member of the Council, and which will report with recommendations to the Committee.

3. TERMS OF REFERENCE

Audit

- (1) To approve the internal audit charter.
- (2) To approve the internal audit plan and monitor delivery of the plan.
- (3) To review reports from the Chief Audit Executive on work undertaken by internal audit, consider the main issues arising, and seek assurance that action is being taken where necessary.
- (4) To receive a specific report from the Chief Audit Executive on the status of internal audit recommendations, seeking assurance they have been implemented. On occasions of non-implementation, to challenge why this is the case and that future action is planned for implementation. If necessary, the Committee has authority to 'call in' appropriate officers.
- (5) To approve the Chief Audit Executive's annual report and opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control together with a summary of internal audit activity supporting the opinion and the level of assurance it can give over the Council's corporate governance arrangements.
- (6) To consider summaries of specific Internal Audit reports as requested.
- (7) To receive reports outlining the action taken where the Chief Audit Executive has concluded that management had accepted a level of risk that may be unacceptable to the Council, or there were concerns about the progress with the implementation of agreed actions.
- (8) To consider the internal audit quality assurance and improvement programme and, in particular, the external assessment of internal audit that takes place at least once every five years.

- (9) To approve the letters of representation required by the external auditor and to consider the external auditor's annual letter, audit opinion, relevant reports, and the report to those charged with governance.
- (10) To consider specific reports as agreed with the external auditor.
- (11) To comment on the scope and depth of external audit work and to ensure it gives value for money.
- (12) Consider appointment of the Council's external auditor proposed by the appointing person under the Local Audit (Appointing Person) Regulations 2015 and assess whether there are any valid reasons for the Council to object.
- (13) To commission additional work from internal audit and the external auditor as necessary.
- (14) To prepare an annual report on the Committee's performance in relation to the Terms of Reference and the effectiveness of the Committee in meeting its purpose.

Governance and Financial Reporting

- (1) To review and consider the Council's corporate governance arrangements ensuring they adhere to best practice, and to receive specific reports on governance related items when required.
- (2) To approve the Annual Governance Statement and monitor delivery of any significant governance issues arising.
- (3) To consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- (4) To review the corporate risk register and seek assurance it is reflective of the Council's risk environment and that key risks are effectively managed.
- (5) To review and consider any changes to the Council's risk management strategy and recommend the strategy to Executive Committee for approval.
- (6) To consider the external auditor's report arising from the audit of the Council's accounts and to approve the accounts on an annual basis, ensuring that appropriate accounting policies have been followed and to identify whether there are concerns arising that need to be brought to the attention of the Council.
- (7) To be responsible for the scrutiny of the Council's treasury management function.
- (8) To approve and monitor Council policies on whistleblowing and the anti-fraud, corruption and bribery strategy and to make recommendations to the Executive Committee as appropriate.
- (9) To consider and review, on an annual basis, a report on the Council's health and safety arrangements and to take appropriate action where necessary.

4. DELEGATED POWERS

Subject to the General Provisions, and Scheme of Delegation to Officers, to determine all matters within the Terms of Reference of the Committee.

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