

Responsibility for Functions

AUDIT COMMITTEE

General

A Committee of the Council established to consider audit and internal control matters.

Membership, Chairperson and Quorum

Number of Members	Seven
Substitute Members Permitted	Yes.
Political Balance Rules apply.	Yes.
Appointments/Removals from Office	By Resolution of Council.
Restrictions on Membership	Policy and Resources Committee Members may not serve.
Restriction on Chair/Vice-Chair	Not a Member of Policy and Resources Committee
Quorum	One-third of membership – minimum of 3.
Number of ordinary meetings per Council Year	Minimum of 3. Subject to compliance with the stated minimum, it is for each Committee to determine the number of times it meets during a municipal year.
Standing Sub-Committees	None.

Terms of Reference

The Committee will:-

- Review the Council's corporate and partnership governance arrangements against best practice. This will include review of the Annual Governance Statement prior to approval and whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.
- Consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- Consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the Council.
- Monitor the effective development and operation of risk management in the Council, including monitoring of progress in addressing risk-related issues reported to the committee.
- To review the assessment of fraud risks and potential harm to the Council from fraud and corruption, and to monitor the counter-fraud strategy, actions and resources.
- Approve (but not direct) the internal audit charter and the annual risk-based internal audit plan, including any in-year changes to the risk-based internal audit plan and resource requirements.

- Consider (but not direct) reports on internal audit's performance during the year, including updates on the work of internal audit, key findings, issues of concern and action in hand as a result of internal audit work.
- Consider summaries of specific internal audit reports as requested, and seek assurance that action has been taken where necessary.
- Consider the Shared Internal Audit Services (SIAS) Internal Audit Opinion and Annual Report, including conformance with the Public Sector Internal Audit Standards.
- Make appropriate enquiries of both management and the SIAS internal audit to determine if there are any inappropriate scope or resource limitations on the work of internal audit.
- Consider the external auditor's annual letter, relevant reports, and the report to those charged with governance, as well as specific reports as agreed with the external auditor, comment on the scope and depth of external audit work and ensure it gives value for money. Monitor and seek assurances that action is being taken by management in response to the issues raised by external audit.
- Ensure that there are effective relationships between external and internal audit Department of Work and Pensions and other relevant bodies, and that the value of the audit process is actively promoted.
- To work with the external and internal auditors within the Audit Code set by the National Audit Office.
- Review the annual statement of accounts, specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.
- Ensure effective scrutiny of treasury management through review of a mid-year and annual report on treasury management performance and compliance with the treasury management strategy and policies.
- Review of organisational ethical values and standards in so far as they relate to governance arrangements.
- Consider matters at the request of statutory officers and other Committees as appropriate and necessary.
- Report to those charged with governance on the committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks; financial reporting arrangements, and internal and external audit functions.
- Approve the statutory Statement of Accounts.

Delegations

- As set out in the terms of reference above.