

The Terms of Reference of the Audit and Governance Committee are as follows:

As regulated via the Non-Disclosure Agreement signed annually by members of the Committee, members will have appropriate access to information to discharge their responsibilities in fulfilment of these Terms of Reference.

A. General Remit

1. To provide independent assurance of the adequacy of the risk management framework and the associated control environment.
2. To provide independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment.
3. To oversee the financial reporting process.
4. To promote the application of and compliance with effective governance arrangements across the Authority and its partner organisations.

B. Internal Control incorporating Risk Management, Financial Probity and Stewardship

- a. To consider the overall adequacy and effectiveness of the system of internal control and the arrangements for risk management, control and governance processes and securing economy, efficiency and effectiveness (value for money).
- b. To ensure that the highest standards of financial probity and stewardship are maintained throughout the Authority, within policies set by the Council from time to time.
- c. To consider such policies for consideration and approval by the Council.
- d. To promote effective internal control by the systematic appraisal of the Authority's internal control mechanisms and by the development of an antifraud culture.
- e. To promote effective risk management throughout the Council in accordance with the Council's Risk Management Policy Objectives Statement.
- f. To periodically review the Authority's strategic risk register and to invite, when appropriate, a Member of the Senior Management Team to meetings to discuss strategic risks within their specific service area.
- g. To consider, challenge and comment on the Annual Governance Statement.
- h. To receive periodic reports on additional corporate functions contributing to overall assurance against the corporate priorities and specifically in relation to:

- Business Improvement, Human Resources and Communications
- Health & Safety
- Business Continuity and Emergency Resilience
- Governance, Member and Business Support
- Information Governance
- Procurement
- Asset Management
- Ethical Framework
- Equality and Inclusion
- Partnership and Collaboration Governance
- Environmental Governance

- i. To encourage wider dialogue with members of the Senior Management Team by inviting them to meetings on a periodic basis to give assurance about issues identified within reports relating to various Directorate activities and in particular those which are subject to Internal Audit recommendations.

C. Internal Audit

- j. To oversee, in consultation with internal auditors, the preparation and approval of an annual audit plan for the Authority and to receive periodic reports from the internal auditor on performance against the plan.
- k. To monitor compliance with internal audit reports following their consideration by management.
- l. To examine reports previously submitted to the Cabinet in respect of ongoing activities and investigations conducted by internal auditors and to make appropriate comments and recommendations.
- m. To review the performance of the internal audit function by way of quarterly performance management reports.
- n. To consider the Head of Internal Audit's annual audit report and opinion, and a summary of internal audit activity (actual and planned) and the level of assurance it can give over the Council's corporate governance arrangements.
- o. To enhance the profile, status and authority of the internal audit function and demonstrate its independence.
- p. To approve and periodically review the Internal Audit Strategy and Audit Charter

D. External Audit and other Inspectorates or Regulatory Bodies

- q. To oversee, in consultation with external auditors, the preparation of the annual audit plan for the Authority and to receive periodic reports from the external auditor on performance against the plan.

- r. To consider and report to Cabinet and the Council the annual audit and inspection letter.
- s. To consider the appointment of the Council's external auditor.
- t. To monitor compliance with external audit, external inspectorate and Ombudsman reports following their consideration and resolution by the Cabinet and/or Council.
- u. To consider any payments in excess of £2000 or provide other benefits in cases of maladministration by the Authority within the scope of section 92 of the Local Government Act 2000 or as directed by the Local Government and Social Care Ombudsman (LGSCO) and any other recommendations made by the LGSCO falling under the remit of the Committee.

E. Other

- v. To consider general issues and statistics in relation to the Council's Confidential Reporting (Whistleblowing Policy) "Whistleblowing" Policy.
- w. To review the Authority's arrangements for establishing appropriate anti-fraud policies and procedures.
- x. To monitor compliance with and the effectiveness of anti-fraud and corruption policies and procedures.
- y. To monitor compliance with the Authority's Partnership Governance Framework.
- z. To consider and review compliance with the Authority's Treasury Management policy.

F. Accounts

- aa. To review the financial statements, external auditor's opinion and reports to Members, and monitor management action in response to the issues raised by External Audit.
- bb. To contribute to the annual review, consideration and challenge of the financial statements.