

APPENDIX D

Section 10 – Committee Procedure Rules

FUNCTIONS, POWERS AND DUTIES OF AUDIT COMMITTEE

Delegated matters (i.e. Matters which can be decided (resolved))

Internal Audit

1. The approval (but not direction) of, and monitoring of progress against, the internal audit strategy and plan.
2. Review summary internal audit reports and the main issues arising and seek assurance that action has been taken where necessary.
3. To be able to call senior officers and appropriate members to account for relevant issues within the remit of the Committee – governance, internal audit, risk management, statement of accounts and external audit.
4. The Committee will not receive detailed information on investigations relating to individuals. The general governance principles and control issues may be discussed, in confidential session if applicable, at an appropriate time, to protect the identity of individuals and so as not to prejudice any action being taken by the Council.

External Audit

5. Review and agree the External Auditors annual plan, including the annual audit fee and receive regular update reports on progress.
6. To consider the reports of external auditor.
7. Meet privately with the external auditor once a year, if required.
8. Ensure that there are effective relationships between external and internal audit that the value of the combined internal and external audit process is maximised.

Risk Management

Recognising that Risk Management is a Cabinet function, the Committee should:-

9. Seek assurances that the authority's risk management arrangements are effective and operating within Council policy and review the Annual Risk Management report to Council.
10. Seek assurances that action is being taken on risk related issues identified by auditors and inspectors.

Governance

11. Be responsible for the review and approval of the authority's Annual Governance Statement ensuring that it properly reflects the risk environment

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and any actions required to improve it. Following approval, it should recommend its inclusion in the Accounts.

12. Consider the effectiveness of the control environment including reviewing the Council's Code of Corporate Governance and other corporate governance arrangements to ensure compliance with best practice.

Treasury Management

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13. To review and monitor the Council's Treasury Management arrangements including Treasury policies, procedures and the management of the associated risks and make recommendations to the Cabinet as appropriate.

Statement of Accounts

14. Review and approve the Statement of Accounts, external auditor's opinion and reports on them to members and monitor management action in response to the issues raised by external audit.

Fraud & Corruption

15. To approve the Anti-Fraud and Corruption Policy for adoption by the Council, and to review it at least once every 2 years.
16. To approve the Speak Up Policy ('*whistle blowing*') for adoption by the Council, and to monitor its operation. This policy will be reviewed at least once every two years.

Complaints

Recognising that Complaints/Compliments are a Cabinet function, the Committee should:-

17. Review the Annual Complaints Report and seek assurances that the Council is improving in response to complaints raised.

General

18. The meetings will follow the principles of scrutiny, i.e. no party whip will be applied and a constructive, evidence based approach will be used.
19. To ensure that adequate training is received by the members of the committee on the areas covered by the terms of reference 1 – 17~~6~~ above.
20. To ensure that any sensitive or confidential information obtained as a result of membership of the Committee is treated as confidential.
21. Annually review their effectiveness and their terms of reference.