

## Audit Committee

**Composition: 6 Councillors in political balance.**

**Quorate is a minimum of 3 Councillors (each Group may appoint reserves).**

**Chairman appointed by Council annually.**

**Committee Members and reserves must attend all relevant Audit training.**

**The Chairman and Vice Chairman must not be a Member of the Cabinet or Overview and Scrutiny, and where practicable members of the Committee should not be members of Cabinet.**

**The Committee has the right to access to all the information it considers necessary to undertake the work of the Committee and may receive reports and refer matters to Internal and External Auditors.**

## Terms of Reference

- 1.1 To approve a Statement of Purpose for the Audit Committee having regard to best practice and Codes published by CIPFA and SOLACE.
- 1.2 To ensure that the Council has a sound system of internal control which -
  - (a) facilitates the effective exercise of its functions and the achievement of its aims and objectives;
  - (b) ensures that the financial and operational management of the authority is effective; and
  - (c) includes effective arrangements for the management of risk.
- 1.3 To monitor arrangements for discharging the Council's responsibilities for efficient and effective financial and operational resource management. In pursuing this aim, it will consider:
  - the soundness, adequacy and application of controls;
  - compliance with policies, procedures and statutory requirements;
  - arrangements for safeguarding the Council's assets and interests;
  - the integrity and reliability of management information and financial records; and
  - the economic, efficient and effective use of resources.
- 1.4 To monitor and review all matters relating to Internal and External Audit; and to approve Internal and External Audit plans; and to receive the Internal Audit Annual Report.
- 1.5 To receive and consider all scheduled outputs from the External Auditor's work, including the annual Audit Letter.

- 1.6 To receive and review the findings of both Internal and External Audit examinations; ensure that management takes appropriate action to implement agreed recommendations; and remedy any internal accounting, organisational or operational control weaknesses identified.
- 1.7 To review the effectiveness of the systems of internal control annually and approve the Annual control assurance statement and the Annual Governance Statement.
- 1.8 To review compliance with public sector financial and audit standards and guidance, in accordance with the CIPFA Codes and the Accounts and Audit Regulations 2015 as updated from time to time
- 1.9 To review and comment upon liaison arrangements between Internal and External Audit with a view to optimising the effective deployment of audit resources.
- 1.10 To evaluate the adequacy and effectiveness of the Council's financial and operational policies and procedures including financial and accounting management and the management of risk through discussions with the External Auditors, Internal Auditors and appropriate Officers.
- 1.11 To consider and endorse amendments to the Council's Financial Regulations and Contract Procedure Rules and, on behalf of Full Council, advise the Chief Finance Officer as may be appropriate.
- 1.12 To approve the annual Statement of Accounts on behalf of Full Council.
- 1.13 To prepare an Annual Report to Full Council setting out the Committee's work and performance during the year and to refer to Council any matters it shall see fit.
- 1.14 To review any issue referred to it by the Chief Executive, Chief Finance Officer, Monitoring Officer or other Council body.
- 1.15 To consider reports from and matters raised by the Local Government and Social Care Ombudsman.
- 1.16 With the Monitoring Officer to monitor and review the operation of the Constitution to ensure the aims and principles of the Constitution are given full effect.
- 1.17 To undertake an annual review of the council's use of any investigatory powers and to ensure compliance with the relevant Codes of Practice.
- 1.18 To consider and propose to Council any other amendments to the Constitution as necessary.
- 1.19 To make arrangements relating to the appointment of the Council's external auditor under the provisions of the Local Audit and Accountability Act 2014.
- 1.20 To review compliance with the Data Protection Act 2018 and the General Data Protection Regulations.