

Part 2: Chapter 8

Functions of the Audit and Governance Committee

1. The purpose of the Audit and Governance Committee is to:
 - a. Oversee and assess the Council's risk management, control and corporate governance arrangements and to provide independent advice on the adequacy and effectiveness of these arrangements;
 - b. To lead on the Council's duties under Chapter 7 of the Localism Act 2011 and to design, implement, monitor, approve and review the standards of ethics and probity of the Council both for councillors and employees; and
 - c. To promote, maintain and strengthen high standards of conduct by members and co-opted members of the Council.
2. The general functions and areas of responsibility of the Audit and Governance Committee are:

General

- a) To review any issue referred to it by the Chief Executive or a director or any council body.
- b) To seek assurance that action is being taken on risk related issues identified by auditors, inspectors or risk managers.
- c) To lead on the Council's duties under Chapter 7 of the Localism Act 2011 and oversee, maintain and strengthen high standards of conduct in public office.

Governance Framework

- a) To oversee the Council's arrangements for corporate governance and agree necessary actions to ensure compliance with best practice.
- b) To review and make recommendations to Council on its Financial Regulations and Contract Procurement Rules.
- c) To review and make recommendations to Council on the Constitution's Standing Orders with Respect to Meetings.**
- d) To consider the effectiveness of the Authority's risk management arrangements and the systems of internal control.
- e) To review the adequacy of the Council's corporate risk registers.

- f) To review the policies and measures in place to prevent fraud and corruption.
- g) To oversee the production of the Council's Annual Governance Statement and to recommend its adoption.
- h) To oversee the implementation of the Council's Treasury Management Strategy and Policy

Audit Activity

- a) To review Internal Audit's strategy, plans and performance.
- b) To review summary internal audit reports and the main issues arising and seek assurance that action has been taken where necessary.
- c) To consider the Head of Audit and Assurance's annual report and opinion and a summary of internal audit activity (actual and proposed) and review the level of assurance it can give over the Council's corporate governance arrangements.
- d) To consider the findings of the review of effectiveness of the systems of internal audit.

External Audit and Inspection

- a) To comment on the scope and depth of external audit work and to ensure it gives value for money.
- b) To consider the external auditor's Annual Audit Letter, the Annual Governance Report and any other specific reports of external audit and inspection agencies as deemed appropriate to the committee role and responsibilities.
- c) To monitor the arrangements for effective co-operation between internal audit, external audit and other review bodies.

Accounts

- a) To approve the Authority's Statement of Accounts, income and expenditure and balance sheet or record of receipts and payments (as the case may be), in accordance with the Accounts and Audit Regulations.
- b) To consider whether appropriate accounting practices have been followed and whether there are concerns arising from the financial statement or from the audit that need to be brought to the attention of the Council
- c) To consider the External Auditor's report on issues arising from the audit of accounts.
- d) Oversee the Council's financial stability and bring to the attention of Council any concerns arising from the Statement of Accounts or reports issued by the external auditors.**

Standards

- a) Advise on an internal framework of probity and standards of conduct that should be followed by members and officers.
- b) Formulate, monitor and revise, as necessary, Local Codes of Conduct for members and officers.
- c) Formulate, monitor and revise, as necessary, a protocol for member/officer relationships.
- d) Issue guidance and best practice advice with regard to probity and ethics including the following:
 - the declaration and registration of members' interests
 - claims for members' allowances and expenses
 - acceptance of, or dealing with, offers of hospitality and gifts made by third parties
 - the provision to members of hospitality, goods, services and facilities by the Council
 - the undertaking of travel and foreign visits.
- e) Advise on such other matters of a similar kind that may be referred to the Committee.
- f) Issue advice and guidance to members representing the Council on outside bodies.
- g) Receive, consider and, where necessary, act on reports guidance and advice from the Council's Monitoring Officer and the Local Government Ombudsman.
- h) Provide appropriate training for members and officers with regard to any of the above and the ethical governance of the Council generally.
- i) Appoint such sub-committees, panels or working parties as are deemed appropriate to undertake specific parts of these Terms of Reference.
- j) Consider complaints against members' conduct and assess allegations of breaches of the Code of Conduct for Members to determine such complaints.
- k) Monitor and review members' training and development.
- l) To establish a Standards Sub-Committee to investigate and determine appropriate actions in respect of alleged breaches of the Members' Code of Conduct.

Functions of Standards Sub-Committee

The Audit and Governance Committee has determined that it will appoint a Standards Sub Committee to discharge its functions relating to complaints about member conduct to assess written allegations that a member or co-opted member of the Council has failed or may have failed to comply with the Members' Code of Conduct in accordance with Chapter 7 Localism Act 2011 or any amendment or re-enactment thereof and to administer sanctions where appropriate.

Where referred by the Monitoring Officer to grant dispensations to members under section 33 of the Localism Act or any amendment or re-enactment thereof

The Sub - Committee will comprise three members of the Audit and Governance Committee ensure that it deals with its functions in a fair and proper manner having regard to the Council's Code of Conduct, the relevant statutory provisions and the rules of natural justice.