

AUDIT COMMITTEE - TERMS OF REFERENCE

Delegated

Audit Activity

- (a) To consider the head of internal audit's annual report and opinion, a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the council's corporate governance arrangements.
- (b) To consider significant issues arising from internal audit reviews carried out and high risk agreed actions not implemented within a reasonable timescale.
- (c) To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance. This includes reports dealing with the management and performance of the internal audit service.
- (d) To consider specific reports as agreed with the external auditor.
- (e) To comment on the scope and depth of external audit work and to ensure it gives value for money.
- (f) To liaise with the Audit Commission over the appointment of the council's external auditor.

Regulatory Framework

- (a) To maintain an overview of the council's constitution and governance arrangements in respect of contract procedure rules and financial regulations.
- (b) To monitor the effectiveness of the council's risk management arrangements. This includes:
 - monitoring and reviewing the Strategic Risk Management Group's facilitation role in maintaining and developing the risk management framework in accordance with best practice.
 - approval of the risk management strategy
 - consideration of progress reports throughout the year.
- (c) To monitor the council's anti-fraud and anti-corruption strategy (including the Whistle Blowers' Charter).
- (d) To oversee the production of the council's Annual Governance Statement and adopt it as part of the council's accounts.

- (e) To consider the council's arrangements for corporate governance and agreeing necessary action to ensure compliance with best practice.
- (f) To consider the council's compliance with its own and other published standards and controls.

Value for Money (VFM) and Efficiency

- (a) To monitor the effectiveness of VFM arrangements throughout the council. Specifically to receive regular reports from the VFM Board (whose role it is to promote VFM and commission specific reviews) on the progress of VFM projects and efficiencies or savings identified.

Accounts

- (a) To review and/or approve 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.
- (b) To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Membership

5 members of the council (politically balanced).