

## **Audit Committee**

### **Draft Terms of Reference**

The Committee will be appointed by Council and will be entitled to make recommendations and report directly to either the Cabinet or Council.

#### **Audit Activity**

- (a) To appoint the Council's external Auditors
- (b) To set the Council's Internal Audit Plan for each financial year, taking due consideration of understood risks and resources available.
- (c) To consider the Internal Audit Manager's annual report and opinion, summary of internal audit activity undertaken and the level of assurance it can give over the council's corporate governance arrangements.
- (d) To consider summaries of specific internal audit reports as requested.
- (e) To consider reports dealing with the management and performance of the providers of internal audit services.
- (f) To consider reports from internal audit on agreed recommendations not implemented within a reasonable timescale.
- (g) To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.
- (h) To consider specific reports as agreed with the external auditor.
- (i) To comment on the scope and depth of external audit work and to ensure it gives value for money.
- (j) To commission work from internal and external audit.

#### **Regulatory Framework**

- (a) To review any issue referred to it by the Chief Executive, Deputy Chief Executive or any council body.
- (b) To monitor the effective development and operation of risk management and corporate governance in the council.
- (c) To monitor council policies on whistleblowing and the anti-fraud and anti-corruption strategy and the council's complaints process.
- (d) To oversee the production of the authority's Annual Governance Statement and to recommend its adoption.

#### **Accounts**

- (a) To review the annual statement of accounts, including consideration of 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 on issues arising from the audit of the accounts.