

Audit and Governance Committee – Constitutional amendment arising from new treasury management responsibilities

Note: Changes to the constitution are shown as follows:

- Additions are shown as underlined
- As a result of the new clauses 4 and 21, Part 3L has been renumbered.

PART 3L: AUDIT AND GOVERNANCE COMMITTEE

Role and functions

Introduction

The purpose of the audit and governance committee is to provide:

1. Independent assurance of the adequacy of the council's governance arrangements, including the risk management framework and the associated control environment.
2. Independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment.
3. Oversight of the financial reporting process.
4. Scrutiny of the treasury management strategy and policies.

Audit activity

5. To consider the internal audit annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the council's corporate governance arrangements.
6. To consider reports dealing with the management and performance of the provider of internal audit services.
7. To consider reports from internal audit on agreed recommendations not implemented within a reasonable timescale.
8. To consider the external auditor's annual letter, relevant reports and the report to those charged with governance.
9. To consider specific reports as agreed with the external auditor.
10. To comment on the scope and depth of external audit work and to ensure it gives value for money.

11. To liaise with the Audit Commission over the appointment of the council's external auditor.
12. To commission work from internal and external audit.

Regulatory framework

13. To review any issue referred to it by the chief executive or a strategic director, or any council body.
14. To monitor the effective development and operation of risk management in the council.
15. To monitor the effective development and operation of corporate governance in the council and to agree actions necessary to ensure compliance with best practice.
16. To monitor council policies on 'whistle-blowing', the 'corporate anti-fraud strategy' and the council's complaints processes.
17. To oversee the production of and agree the council's annual governance statement, incorporating the statement on internal control.
18. To review the council's compliance with its own and other published standards and controls.

Accounts

19. To review and approve the annual statement of accounts and specifically to consider compliance with appropriate accounting policies and whether there are any concerns arising from the financial statements or from the audit that need to be brought to the attention of the council.
20. To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Treasury management

21. To review and scrutinise the treasury management strategy and policies.

Annual report

22. To report annually to council assembly on its work and performance during the year.

Matters reserved for decision

The matters reserved for decision to the committee are as set out in the roles and functions.