

**CORPORATE AUDIT COMMITTEE****1 Committee Scope**

The ~~Corporate~~-Audit Committee is responsible for the Council's powers and duties relating to the annual accounts, audit plans, the Annual Governance Statement, risk management arrangements and the other key financial governance procedures.

**2 Functions**

1. To approve on behalf of the Council its Annual Accounts, as prepared in accordance with the statutory requirements and guidance.
2. To approve on behalf of the Council its Treasury Management Strategy in accordance with statutory requirements and guidance.
3. To review and note on behalf of the Council the audited accounts of Council owned companies, in accordance with Council company governance arrangements, statutory requirements and guidance.
4. To monitor the effectiveness of the Council's system of internal control, including arrangements for financial management, ensuring value for money, supporting standards and ethics and managing the authority's exposure to the risks of fraud and corruption. This includes periodically reviewing key financial governance rules / procedures including Financial Regulations, Contract Standing Orders, Anti-Fraud & Corruption Strategy and related policies.
5. To note the External Auditors' Audit Plan, monitor its delivery and effectiveness during the year, and support effective relationship with the external auditor and other review agencies.
6. To approve the Internal Audit Plan within the budget agreed by the Council and to monitor its delivery and effectiveness (including the implementation of audit recommendations).
7. To consider, prior to signature by the Leader of the Council and Chief Executive, the Annual Governance Statement (including the list of significant issues for action in the ensuing year), as prepared in accordance with the statutory requirements and guidance; and to monitor progress on the significant issues and actions identified in the Statement.
8. To review periodically the Council's risk management arrangements, make recommendations and monitor progress on improvements.
9. To consider the Auditor's Annual Report from the External Auditor and to monitor progress on accepted recommendations.
10. To monitor and promote good corporate governance within the Council and in its dealings with partner bodies and contractors, including review of the Council's Local Code of Corporate Governance and in any such other ways as the Committee may consider expedient (within the budget agreed by the Council).

## TERMS OF REFERENCE

## Appendix 4 –

(Proposed TOR ~~for CAC~~ to seek Council Approval)

11. To consider and make recommendations of any other matters relating to corporate governance which are properly referred to the Committee or which come to its attention, e.g. the procurement of External Audit Services, monitoring the governance of Council owned companies.
12. **To discharge its responsibilities, the Committee and individual members of the Committee can meet privately and separately with the external auditor and / or Chief Audit Executive and have the right to call on any other officer.**
13. To make an annual report to Council on the work [and findings] of the Committee, including (if necessary) any measures necessary to improve the effectiveness of the Committee.

In all of the above, the Committee will, as appropriate, wish to develop effective liaison with the following:

- a) the Standards Committee of the Council with regard to matters of ethical governance;
- b) the relevant Policy Development and Scrutiny Panel(s) - to complement but not to duplicate the exercise of their legitimate role in checking compliance with Council processes and policies and in reviewing policies and practice;
- c) relevant Cabinet Members, in particular the Leader and the Cabinet Member with responsibility for Resources, whose portfolios include executive functions related to the matters covered by these terms of reference
- d) the Council when developing the Council's Code of Corporate Governance

### 3 Composition

The size of the Panel will be determined by Council. Appointments will be made having regard to rules on political proportionality – as set out in the [proportionality table](#). There will also be [a minimum of](#) one independent non-voting co-opted member.

### 4 Quorum

One quarter of the membership or 3 Councillor/voting Members of the Committee whichever is greater.

### 5 Substitution

Substitute Members are permitted in line with [Council Procedure Rule 3.1.4](#).