

APPENDIX C

PART 11

Remit of the Audit and Standards Committee

1 Statement of Purpose

- 1.1 Provide independent assurance of the adequacy of the risk management framework and the associated control environment, 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, and to oversee the financial reporting process.
- 1.2 Promote and maintain high standards of conduct by Members and Co-opted Members of the Council.

2 Membership

- 2.1 The Audit and Standards Committee shall consist of seven members of the District Council. The quorum shall be four.
- 2.2 Up to 3 additional co-opted non-voting Town/Parish members may participate in Standards, but not Audit, matters.
- 2.3 The terms served by Town/Parish members shall run concurrently with the term of office of the District Councillors.
- 2.4 The Chair shall be elected from a non-Cabinet member of the Minority Group.
- 2.5 Duty to appoint one or more Independent Persons for the following purposes:-
 - (a) to give the Council views on any allegations it has decided to investigate, before a decision is reached;
 - (b) at the discretion of the Council, to give the Council views on any other allegations; and
 - (c) at the discretion of a Member, Co-opted Member or Member of Town/Parish Council, to give the Member views on any allegations relating to the behaviour of that Member.

3 Powers and Duties

The Committee is responsible for carrying out the following statutory

Audit duties:

- 3.1 To review progress with the External Auditor on audit systems and final audits and respond to any matters raised by the External Auditor. A meeting between the External Auditor and members of the Audit and Standards Committee can be held at the request of either party;

- 3.2** To review the External Auditor's Management Letter and the conclusions of Value for Money Studies and make recommendations to the Cabinet;
- 3.3** To keep under review the probity and the effectiveness of internal controls, both financial and operational, including the Council's arrangements for identifying and managing risk;
- 3.4** To keep the effectiveness of management arrangements under review to ensure legal and regulatory compliance;
- 3.5** To review the effectiveness of corporate governance arrangements and to oversee production of the Annual Governance Statement and recommend its adoption;
- 3.6** To agree a three year strategic audit programme and annual programme and keep them under review:
- to ensure co-ordination between internal and external auditors, and
 - to make recommendations to the Cabinet to ensure that the internal audit function is adequately resourced and is able to discharge its functions effectively;
- 3.7** To consider the Head of Audit and Performance's Annual Report and to report annually to the Cabinet on the adequacy and effectiveness of internal controls within the Council;
- 3.8** To review the annual statement of accounts, and consider whether the appropriate accounting policies have been followed and whether there are any concerns that need to be brought to the attention of the Council; and to approve the Council's annual accounting statements

In addition, the Committee is responsible for exercising the following Audit powers:

- 3.9 To consider the significant findings of internal audit investigations, the responses of Chief Officers to those findings and any matters the Head of Audit and Performance may wish to discuss (in the absence of Chief Officers if necessary);
- 3.10 To commission work from internal and external audit;
- 3.11 To maintain an overview of the Council's Constitution in terms of contract procedure rules, financial regulations and codes of conduct and behaviour;
- 3.12 To monitor Council policies on Whistleblowing and Anti-Fraud and Corruption;
- 3.13 To review Treasury Management Policies and the Treasury Strategy and to recommend any changes to those documents to Cabinet for consideration.

The Committee is responsible for carrying out the following statutory Standards duties:

- 3.14 To recommend to Council the adoption of a Code of Conduct dealing with the conduct expected of Members and Co-opted Members of the Council when acting in that capacity [s27(2)] and including provision in respect of the registration and disclosure of (a) pecuniary interests and (b) interests other than pecuniary interests; and to revise the existing Code of Conduct or adopt a replacement Code of Conduct and make recommendations on the Code of Conduct to Council.
- 3.15 To put in place arrangements to investigate and make decisions on written allegations that a Member or Co-opted Member of the Council has failed to comply with the Code of Conduct.

In addition, the Committee is responsible for exercising the following Standards powers:

- 3.16 To have regard to a Member's or Co-opted Member's failure in complying with the Code of Conduct, in deciding whether to take action in relation to that Member and what action to take.
- 3.17 To grant a Member or Co-opted Member a dispensation from the restriction on speaking and/or voting when any matter in which that person has a disclosable pecuniary interest is to be considered at a meeting of the Council or any of its committees, sub-committees, joint committees or joint sub-committees.
- 3.18 To consider the Monitoring Officer's Annual Report on the establishment and maintenance of a register of interests of Members and Co-opted Members of the Council.

