

AUDIT COMMITTEE

TERMS OF REFERENCE

External Audit

1. Receive, comment upon and recommend to the Cabinet, Chief Executive or the Head of Financial Services as appropriate, the:
 - Appointment of external auditors
 - External Audit plan
 - External Annual Audit Letter
 - Any non-audit work undertaken by the external auditors
 - Monitor the implementation of recommendations made by External Audit

Internal Audit

2. Receive, comment upon and recommend to the Cabinet, Chief Executive or Head of Financial Services as appropriate the:
 - terms of reference for Internal Audit
 - strategic and annual internal audit plans
3. Consider summaries of reports issued by Internal Audit
4. Consider progress reports including the achievement of the internal audit plan from Internal Audit
5. Monitor the implementation of recommendations from Internal Audit
6. Consider the annual report on the Council's internal control environment from Internal Audit
7. Promote Internal Audit and internal controls
8. Review the annual Internal Audit needs assessment and resources available to the function.
9. Make recommendations for reviews to be undertaken on areas of Council activity not provided for within the Strategic and Annual Internal Audit plans having due regard to the resources available to Internal Audit and the cost effectiveness of such reviews

Overall Audit Function

10. Make recommendations, as necessary, with a view to ensuring that Best Value is obtained from the total audit resource, external and internal.

Risk Management

11. Monitor and evaluate the development and operation of risk management by the Council.

For the Audit Committee this includes the following -

To receive reports and make recommendations to Cabinet where appropriate on:

Risk Management Policy, Strategy and its associated action plans;

- Reports from officers on developments and enhancements to the Risk Management process corporately;
- Internal audit and External audit reports on Risk Management matters as appropriate.

Procurement

12. Monitor and evaluate compliance with the Council's Procurement Policy and Standing Orders Relating To Contracts and Financial Regulations in so far as they relate to procurement.

For the Audit Committee this includes the following –

To receive reports and make recommendations to Cabinet where appropriate on:

- Procurement Policy, Strategy and associated action plans;
- Reports from officers on developments and enhancements to the Procurement process corporately, including e-procurement (electronic procurement) with regard to compliance with the Standing Orders relating to Contracts and Financial Regulations;
- Internal Audit and External Audit reports on procurement matters as appropriate.

External Funding

13. Monitor the receipt of external funding and assess the efficiency and effectiveness of its application in line with the Council's priorities.

For the Audit Committee this includes the following –

To receive reports and make recommendations to Cabinet where appropriate on:

- The External Funding Strategy and its implementation;
- Reports from officers as required on:
 - levels and sources of external funding
 - allocation of external funding
 - outcomes achieved or expected, including impact on the Council's Priorities
- Internal Audit and External Audit reports on external funding matters as appropriate.

Annual Statement of Accounts

14. Consider and make recommendations, if appropriate, on the Annual Statement of Accounts.

Statement on Internal Control

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Annual Governance Statement

15. Consider and make recommendations, if appropriate, on the Annual Governance Statement.

Corporate Governance Arrangements

16. Receive reports on, comment upon and make recommendations, if appropriate, on the Council's overall corporate governance arrangements including the Council's arrangements for the prevention and detection of fraud and corruption.

Any other business

17. Consider any other **relevant** business deemed appropriate by the Committee.