

**APPENDIX G - AUDIT, GOVERNANCE AND STANDARDS  
COMMITTEE PROCEDURE RULES - EXTRACT**

**1. Role of the Audit, Governance and Standards Committee**

- 1.1 The Council has established an Audit, Governance and Standards Committee.
- 1.2 The Audit, Governance and Standards Committee will work in partnership with the Executive Committee and Officers to ensure good stewardship of the Council's resources and deliver better outcomes for the people of the Borough.
- 1.3 The ultimate responsibility for Audit rests with the Council's Section 151 Officer. Therefore the Audit, Governance and Standards Committee can make informed recommendations but it is not the role of the Audit, Governance and Standards Committee to be a substitute for management of Internal Audit.
- 1.4 The Audit, Governance and Standards Committee does not have the power to make decisions with regard to Internal Audit or to direct Officers with regard to Internal Audit.

**2. Terms of Reference**

- 2.1 The Terms of Reference of the Audit, Governance and Standards Committee are as follows:

Audit and Governance  
Internal and External Audit

- a. To review and monitor the annual audit plans of both the internal and external auditors;
- b. To receive and comment upon the external auditors' reports;
- c. To monitor the adequacy and effectiveness of the Council's system of internal control by ensuring that an adequate and effective system of internal financial controls is maintained, that financial procedures are regularly reviewed;
- d. To consider, monitor and review the Council's overall corporate governance arrangements;
- e. To enhance the profile, status and authority of the internal audit function which will demonstrate its independence;

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- f. To focus audit resources by agreeing, and periodically reviewing, audit plans and monitoring delivery of the audit service;
- g. To receive and consider such internal audit reports that the Chair and/or Deputy Chief Executive considers necessary;

### Risk

- h. To consider, monitor and review the effectiveness of the Council's risk strategies, policies and management arrangements and seek assurances that action is being taken to address identified risk related issues;

### Finance and Value for Money

- i. To consider and approve the Council's Annual Statements of Accounts;
- j. To consider any report from the Internal Audit Manager in pursuance of Financial Regulations;
- k. To ensure good stewardship of the Council's resources and assist the Council to achieve value for money in the provision of its services;
- l. To keep under review, and make recommendations on, proposed amendments to Financial Regulations;
- m. To consider and make recommendations if appropriate on, the Annual Governance Statement;

### Standards

- n. To promote and maintain high standards of conduct by Councillors and any co-opted members of Council bodies;
- o. To assist the Councillors and co-opted members to observe the Members' Code of Conduct;
- p. To advise the Council on the adoption or revision of the Members' Code of Conduct;
- q. To monitor the operation of the Members' Code of Conduct;
- r. To advise, train or arrange to train Councillors and co-opted members on matters relating to the Members' Code of Conduct;
- s. To grant dispensations to Councillors and co-opted members from requirements relating to interests set out in the Members' Code of Conduct;
- t. To deal with any report from the Monitoring Officer following an investigation into a complaint concerning the Members' Code of Conduct;

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- u. To consider and determine allegations that a Councillor or co-opted Councillor may have failed to follow the Code of Conduct and where a breach of the Code is established making recommendations as to any sanctions to the appropriate person or body;
  - v. The exercise of t – u above in relation to the Parish Councils in the Council's area and the members of those parish Councils; and
  - w. To monitor and review the operation of the Member Officer Relations Protocol.
- 2.2 Within those Terms of Reference, the Audit, Governance and Standards Committee will:
- a. agree annual and strategic audit plans;
  - b. review Internal Audit's progress against the audit plan and consider Internal Audit performance measures;
  - c. receive and consider a summary of work undertaken by Internal Audit since the last meeting, plus current status;
  - d. receive and consider executive summaries of financial process / procedures;
  - e. receive and consider executive summaries of Value For Money reports;
  - f. receive and consider executive summaries of contract audit reports;
  - g. receive and consider executive summaries of any special investigations undertaken by Internal Audit;
  - h. receive and consider a chronological summary of Internal Audit reports awaiting departmental response and address any evident problems;
  - i. monitor the proportion of key recommendations actioned since the previous meeting; and
  - j. consider all external audit reports including the Annual Audit Letter;
  - k. receive and consider a quarterly report from the Monitoring Officer detailing any Code of Conduct issues, Member training updates and any dispensations sought.