

APPENDIX 2

AUDIT, GOVERNANCE AND STANDARDS COMMITTEE REVISED ROLE AND FUNCTIONS

PART 3K: 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 its standards regime, 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.
5. A framework to promote and maintain high standards of conduct by councillors, co-opted members and church and parent governor representatives.

Audit activity

6. To approve the internal audit charter
7. To approve the risk based internal audit plan, including resource requirements.
8. To approve any significant proposed advisory services, additional to those included in the audit plan.
9. To receive information on the appointment, departure, resignation or change in chief audit executive.
10. To receive in-year summaries of internal audit and anti-fraud activity and the internal audit annual report and opinion and to consider the level of assurance it can give over the council's corporate governance arrangements.
11. To receive reports dealing with the management and performance of the provider of internal audit services, including the performance of the chief audit executive.
12. To receive reports from internal audit on agreed recommendations not implemented within a reasonable timescale.

13. To consider the external auditor's annual letter, relevant reports and the report to those charged with governance.
14. To consider specific reports as agreed with the external auditor.
15. To comment on the scope and depth of external audit work and to ensure it gives value for money.
16. To have oversight over the appointment of the external auditor.
17. To commission work from internal and external audit.

Accounts

18. 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.
19. To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Treasury management

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

Comment [M11]:

The sections on accounts and treasury management are existing provisions which have been reordered.

Regulatory framework Governance activity

21. To review any issue referred to it by the chief executive or a strategic director, or any council body.
22. To monitor the effective development and operation of risk management in the council.
23. To monitor the effective development and operation of corporate governance in the council and to agree actions necessary to ensure compliance with best practice.
24. To monitor council policies on 'whistle-blowing', the 'corporate anti-fraud strategy' and the council's complaints processes.
25. To receive reports from the statutory officers under the council's whistle blowing policy.
26. To provide strategic oversight on the use of the powers regulated by the Regulation of Investigatory Powers Act 2000 and to receive in-year reports on operational use at least once a quarter.
27. To oversee the production of and agree the council's annual governance statement.
28. To review the council's compliance with its own and other published standards and controls.
29. To receive reports on retrospective contract related decisions as set out in contract standing orders.

Comment [M12]:

25 and 26 are existing standards committee clauses. The clause has been updated to refer to "in-year" reports rather than quarterly reporting. Quarterly reporting is not required. The new wording will provide greater flexibility when scheduling reporting to the new committee.

30. To receive reports from the monitoring officer on any serious breach of the contract standing orders or procurement guidelines.

Standards activity

31. ~~To assist councillors, co-opted members and church and parent governor representatives to observe the members' code of conduct.~~
32. To advise the council on the adoption or revision of the members' code of conduct, the member and officer protocol and the communication protocol.
33. To monitor the operation of the members' code of conduct, the member and officer protocol and the communication protocol.
34. To monitor and advise on training provided for councillors, co-opted members and church and parent governor representatives.
35. To deal with any standards related complaints referred to it and any report from the monitoring officer on any matter which is referred to him or her.
36. To receive reports from the monitoring officer on unlawful expenditure and probity issues.
37. To consider the withholding of allowances from individual members (including elected members and co-opted members) in whole or in part for non-attendance at meetings, or, for elected members only, for failure to attend required training.
38. To establish the following sub-committees:
- to consider complaints of misconduct against elected councillors and co-opted members
 - to consider civic awards.

Comment [M13]:

This point is covered in clause 32 and 33.

Comment [M14]:

This is a revised clause on training to reflect the current role exercised by the standards committee (see clause 9 below).

Comment [M15]:

The word "standards related" has been inserted into this clause to clarify the scope of the committee's role.

Accounts

39. ~~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.~~
40. ~~To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.~~

Treasury management

41. ~~To review and scrutinise the treasury management strategy and policies.~~

Comment [M16]:

Re-ordered paragraphs – see above.

Annual report

42. ~~To report annually to all councillors council assembly on its work and performance during the year.~~

Comment [M17]:

Recommended that the annual report be circulated to all councillors and uploaded to the council's website. This recognises move to reduce size of paper agenda and a reduction in the number of meetings.

Matters reserved for decision by the main committee

The matters reserved for decision to the committee are as set out in the role and functions, other than those functions delegated to the relevant sub-committee.

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

Matters reserved for decision by the ~~standards (conduct)~~ conduct sub-committee

1. To consider complaints of misconduct against elected councillors and co-opted members.

Matters reserved for decision by the ~~standards (civic awards)~~ civic awards sub-committee

2. To grant civic awards.
3. To consider the process by which the decisions with respect to civic awards applications are to be taken and to make recommendations to the standards committee.
4. To appoint non-voting co-opted members.

PART 3L: STANDARDS COMMITTEE

Role and functions

5. ~~To promote and maintain high standards of conduct by councillors, co-opted members and church and parent governor representatives.~~
6. ~~To assist councillors, co-opted members and church and parent governor representatives to observe the members' code of conduct.~~
7. ~~To advise the council on the adoption or revision of the members' code of conduct, the member and officer protocol and the communication protocol.~~
8. ~~To monitor the operation of the members' code of conduct, the member and officer protocol and the communication protocol.~~
9. ~~To advise, train or arrange to train councillors, co-opted members and church and parent governor representatives on matters relating to the members' code of conduct.~~
10. ~~To deal with any complaints referred to it and any report from the monitoring officer on any matter which is referred to him or her.~~
11. ~~To receive reports from the monitoring officer on unlawful expenditure and probity issues.~~
12. ~~To receive reports from the statutory officers under the council's whistle blowing policy.~~
13. ~~To provide strategic oversight on the use of the powers regulated by the Regulation of Investigatory Powers Act 2000 and to receive reports on operational use at least once a quarter.~~
14. ~~To consider the withholding of allowances from individual members (including elected members and co-opted members) in whole or in part for non-attendance at meetings, or, for elected members only, for failure to attend required training.~~
15. ~~To establish the following sub-committees:~~
 - ~~to consider complaints of misconduct against elected councillors and co-opted members~~
 - ~~to consider civic awards.~~

Matters reserved for decision by the standards committee

16. ~~The matters reserved for decision to the committee are as set out in the roles and functions, other than those functions delegated to the relevant sub-committee.~~

Comment [MI8]:

This clause is included in the introduction to the roles and functions of the new committee (see new clause 5).

Matters reserved for decision by the standards (conduct) sub-committee

~~17. To consider complaints of misconduct against elected councillors and co-opted members.~~

Matters reserved for decision by the standards (civic awards) sub-committee

~~18. To grant civic awards.~~

~~19. To consider the process by which the decisions with respect to civic awards applications are to be taken and to make recommendations to the standards committee.~~

~~20. To appoint non-voting co-opted members.~~