

APPENDIX 2

AUDIT AND STANDARDS COMMITTEE

Terms of Reference, Constitution, Rules and Procedures

Role

The Committee will:

1. Ensure processes are in place to deliver effective controls and audit functions, including agreement of the Internal Audit Plan, appointment of External Auditors and consideration of External Audit fees and External Audit Plans.
2. Consider external and internal auditors' reports and the adequacy of management response to auditors' advice, recommendations and action plans.
3. Consider reports regarding the management and performance of Internal Audit.
4. Consider the External Audit Annual Letter, making recommendations to the Authority where necessary and monitor the Authority's response.
5. Monitor the results of external reviews of the Authority's services, ensuring progress is made on actions planned to remedy any significant issues highlighted.
6. Consider an annual report regarding compliments, complaints and concerns about the Service.
7. Consider, monitor and review the development and operation of the Authority's risk management and corporate governance arrangements in accordance with best practice.
8. Exercise delegated power in relation to the approval of the Annual Statement of Accounts.
9. Exercise delegated power in relation to the consideration of the Annual Governance Statement, the procedures followed in its compilation and the appropriateness of supporting documentation, addressing any significant governance weaknesses disclosed within the Statement.
10. Consider and make recommendations to the Authority on:
 - the Annual Assurance Statement;
 - Standing Orders and Financial Regulations of the Authority;
 - Committee Structure, Terms of Reference and Scheme of Delegation;
 - Members' Code of Conduct; and
 - Protocol for Member-Officer Relations.

11. Formulate and approve policy documentation in respect of Strategic Risk, Whistleblowing and Anti-Fraud and Corruption processes and review the effectiveness of their application throughout the Authority.
12. Promote and maintain high standards of conduct and ethical governance by Members and co-opted Members of the Authority.
13. Oversee the Registers of Members' Interests and keep under review the Authority's procedures for investigating and responding to complaints about Members.
14. Monitor the operation of the Members' Code of Conduct and assist Members and where appropriate, co-opted Members to observe the Code.
15. Advise, train or arrange to train the Members and co-opted Members of the Authority on matters relating to the Member Code of Conduct.
16. Grant dispensations to Members, from requirements relating to interests set out in the Member Code of Conduct, as referred by the Monitoring Officer.
17. Receive reports and comment on complaints procedures and/or reports from the Local Government Ombudsman.
18. Appoint Independent Persons for the purposes of the ethical framework under the Localism Act 2011.
19. Approve, monitor and review of the following matters in relation to staff;
 - a) the development and implementation of equality and fairness policies receiving regular reports from the Equalities and Development Steering Group;
 - b) the development and implementation of health and safety policies receiving regular reports from the Health and Safety Liaison Panel; and
 - c) employment monitoring reports.

Constitution

20. The Committee will comprise 12 Members.
21. In accordance with the requirements of the Local Government and Housing Act 1989, political balance will apply.
22. Group Leaders, the Chairman, Vice-Chairman of the Authority, outgoing Chairman of the Authority and Chair of the Policy and Resources Committee are not eligible to serve on the Audit and Standards Committee.
23. The quorum of the Committee will be 4 Members.
24. Subject to the approval of the Chairman and Vice Chairman of the Authority, the Committee may establish non-politically balanced, time-limited Task and Finish Groups to investigate issues within terms of

reference set by the Committee. Only one Task and Finish Group may be established by the Committee at any one time.

Rules and Procedures

25. The Chairman and Vice-Chairman will be elected by the Authority.
26. The Committee will submit an annual report to the Authority each June.
27. The Committee Chairman will report proceedings of the Committee to the Authority.
28. The minutes and reports of the Committee will be available for public inspection, except those documents classified as exempt.
29. The Committee will be advised by the Monitoring Officer, Chief Fire Officer and Treasurer and other officers and advisors as necessary.
30. Meetings will normally be held in public, with the right of attendance for all Members, public and press, except during consideration of exempt business.
31. An agenda, together with reports will be made available at least 5 clear working days before each formal meeting.