

## Appendix A

Extract from Part 3 of the [Constitution](#), Responsibility for Functions.

### Composition

2.8.1 The size of the Audit and Governance Committee and appointments to it will be determined by Council. Appointments will be made having regard to rules on political proportionality.

2.8.2 The Audit and Governance Committee will exclude Members of the Cabinet. The exception is that up to two of -Tt the Leader of the Council or and the Cabinet Members with -responsible responsibility for finance and governance will be-is appointed as a non-Non-voting Members of the Committee. As non-voting members they would not count toward the rules on political proportionality

2.8.3 Substitute Members will be permitted in accordance with Part 4 of this Constitution.

2.8.4 In addition to the Elected Members on the Committee, the Committee can appoint up to 2 Independent Co-opted Members, who will be Non-Voting Members of the Committee. The Non-Voting Co-opted Independent Member(s) should have experience of audit and financial management, preferably with knowledge of local authorities.

2.8.5 Independent Co-opted Members will be appointed by a recruitment and selection process involving members of the Committee.

2.8.6 The term of office for Independent Co-opted Members will normally be 4 years.

2.8.7 Independent Co-opted Members will be eligible for re-appointment for a second term.

2.8.8 Independent Co-opted Members do not count towards the Quorum of the committee.

### Role and Function

2.8.9 The Audit and Governance Committee will be responsible for:

2.8.10 External Audit Activity:

- To receive and comment on the external audit plan;
- To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance;
- To comment on the scope and depth of external audit work and to ensure it gives value for money;
- To monitor the implementation of management actions arising from external audit work.

2.8.11 Internal Audit Activity:

- To approve the terms of reference and strategy for internal audit, and the annual internal audit plan and subsequent changes thereto;

- To monitor and review the effectiveness of internal audit to ensure compliance with statutory requirements;
- To consider the ~~Head of Internal Audit's~~ annual report, ~~and~~ opinion, and a summary on internal audit activity and the level of assurance it provides on the Council's corporate governance arrangements;
- To consider specific internal audit reports as requested, and monitor the implementation of agreed management actions.

#### 2.8.12 Regulatory Framework:

- To monitor and review the effective development and operation of corporate governance, risk and performance management and internal control, and to receive progress reports as required;
- To oversee the process for production of the annual governance statement (AGS), to review the supporting evidence including the arrangements for governance of partnership working, and to approve the ~~draft~~ AGS;
- To monitor the development and implementation of the Council's anti-fraud and corruption policy and strategy.

#### 2.8.13 Financial Management and Accounts:

- To ensure the Council's arrangements for financial management are adequate and effective, and, together with its accounting policies, are regularly reviewed;
- To review and approve the annual statement of accounts;
- To consider the external auditor's report to those charged with governance on issues arising from the audit of the account