

Terms of Reference of the Audit Committee

Audit Committee

(7 councillors reflecting political balance and two independent members)

To provide independent assurance of the adequacy of the risk management framework and the associated control environment, 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, and to oversee the financial reporting process:

- To approve (but not direct) the internal audit's strategy plan and performance.
- To review summary internal audit reports and the main issues arising and to seek assurance that action has been taken where necessary.
- To consider the reports of external audit and inspection agencies.
- To consider the effectiveness of the authority's risk management arrangements, the control environment and associated anti-fraud, bribery and anti-corruption arrangements.
- Seek assurances that action is being taken on risk related issues identified by auditors and inspectors.
- To be satisfied that the authority's assurance statements, including the Annual Governance Statement, properly reflect the risk environment and to take actions required to improve it.
- To ensure that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies, and that the value of the audit process is actively promoted.
- To review the financial statements, external auditors' opinion and reports to councillors, and monitor management action in response to the issues raised by external audit.