

Changes to Part 3 of the Constitution (Responsibilities)

Responsibility for functions ***Add the following new entry:***

COMMITTEE	FUNCTIONS	DELEGATION OF FUNCTIONS
<p>Audit Committee</p> <p>(Such number of members of the authority as the Council may decide each year; to be appointed by the Council)</p>	<p>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.</p>	<p>Functions delegated on to officers of the Council (and any limits on that delegation), set out in 'Functions Delegated to Officers'</p>

Committee terms of reference ***Add the following new entry:***

8. Audit Committee

Audit activity

1. To consider the Director of Finance's annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the council's corporate governance arrangements.
2. To consider summaries of specific internal audit reports as requested.
3. To consider reports dealing with the management and performance of the providers of internal audit services.
4. To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale.
5. To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.

6. To consider specific reports as agreed with the external auditor.
7. To comment on the scope and depth of external audit work and to ensure it gives value for money.
8. To liaise with the Audit Commission over the appointment of the council's external auditor.
9. To commission work from internal and external audit.

Corporate governance framework

10. To maintain an overview of the council's constitution in respect of contract procedure rules, financial procedure rules and codes of conduct and behaviour.
11. To review any issue referred to it by the chief executive or a chief officer or any council body.
12. To monitor the effective development and operation of risk management and corporate governance in the council.
13. To monitor council policies on ['Raising Concerns at Work'] and the anti-fraud and anti-corruption strategy and the council's complaints procedure.
14. To oversee the production of the authority's statement on internal control and to recommend its adoption.
15. To consider the council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.
16. To consider the council's compliance with its own and other published standards and controls.

Accounts

17. To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the council.
 18. To consider the external auditor's report to those charged with governance on issue arising from the audit of the accounts.
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Size and membership of committees constituted by the Council in accordance with section 101 of the Local Government Act 1972
Add new entry as follows:

8. Audit Committee

To consist of 5 members of whom 3 shall be members of the Conservative Group, 1 shall be a member of the Liberal Democrat Group and 1 shall be a member of the Labour Group, none of whom may be a member of the executive or of an overview and scrutiny committee.

In the Portfolio of the Cabinet Member for the Cabinet Member for Resources and Capital Projects
Add new entry as follows:

- Jointly with the Chief Executive, to champion and take overall responsibility for embedding risk management throughout the council
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Part 4 of the Constitution (Rules)

Rule 15.21
Add new proviso (3)

- (3) in the case of the Audit Committee, subject to rule 15.21A, members may attend meetings of the committee but may not speak or vote.

Add new rule 15.21A

15.21A For the proper discharge of its responsibilities under Part 3 of the Constitution, the Audit Committee may require any member of the council or officer to attend before it, to answer questions and to produce any documents which the committee may reasonably require to see in connection with the discharge of its responsibilities under part 3 of this constitution.

Amend rule 14.3 as follows:

Quorum

- 14.3 Except as otherwise provided by law, and subject to rule 14.3A, the quorum of a meeting of a committee will be four members and of a sub-committee will be three members.
- 14.3A The quorum of a meeting of the Audit Committee will be three members.
- 14.3B During any meeting if the chairman of the meeting counts the number of members present and declares there is not a quorum present, then the meeting will adjourn immediately.