



SHDC GOVERNANCE AND AUDIT COMMITTEE TERMS OF REFERENCE

COUNCIL BODY:	MEMBERSHIP:	FUNCTIONS / TERMS OF REFERENCE:
Governance and Audit Committee	7 non-Cabinet members, excluding the Chairman of the Council and the Chairman of the Performance Monitoring Panel and Policy Development Panel Quorum 3 (SO 38) Substitutions: see paragraphs 1.4 to 1.7 above	<p>The purpose of the Governance and Audit Committee is to monitor governance, risk management and internal control arrangements at the Council, to provide independent assurance that these are effective and efficient.</p> <p>This is achieved through key regular items received by the Committee in relation to, but not limited to; internal and external audit, key finance items, governance reviews and strategic risk management reporting.</p> <p>Internal Audit</p> <ol style="list-style-type: none"> 1. To consider and approve annually the Internal Audit plan of work, considering the scope and depth of the work in addressing the Council's significant risks and issues. 2. To consider the outcomes of the internal audit plan of work and to monitor management's progress in implementing agreed audit recommendations. 3. To consider and approve the Annual Report and Opinion of the Head of Internal Audit, ensuring that the systems of internal control, governance and risk management have been effective and efficient over the course of the year. 4. To consider the performance of the internal auditors in relation to the adherence to the Public Sector Internal Audit Standards. <p>External Audit</p> <ol style="list-style-type: none"> 5. To consider annually the External Audit plan of work. 6. To consider External Audit reports and letters.

		<p>Accounts / Finance</p> <p>7. To consider the extent of the Council's compliance with its own and other published financial statements and controls.</p> <p>8. To review and approve the annual Statement of Accounts and the Annual Governance Statement contained therein.</p> <p>9. To approve the Council's Treasury Management Strategy & Policy and subsequent performance against this.</p> <p>Risk Management</p> <p>10. To monitor and approve policies for the effective development and operation of risk management and corporate governance in the Council.</p> <p>Governance</p> <p>11. To review the Council's arrangements for governance, with particular regard to the Local Code of Corporate Governance.</p> <p>12. To review allegations from whistleblowers; and to review and approve all Council policies and strategies that relate to the prevention of fraud and corruption including (but not limited to) policies on counter fraud, whistleblowing and money laundering.</p> <p>13. To hold periodic private discussion with the Head of Internal Audit and the External Auditors to review working relationships and discuss any pertinent issues.</p> <p>14. To commission ad-hoc work from internal and external audit.</p> <p>15. To report annually to Full Council on the Committee's work and performance during the financial year.</p> <p>16. To assess the Committee's own effectiveness on an annual basis against best practice.</p>
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GOVERNANCE AND AUDIT – CALENDAR OF WORK PROGRAMME ITEMS 2023/2024
GOVERNANCE LEAD: JOHN MEDLER | FINANCE LEAD: SAMANTHA KNOWLES (PSPS)

Date of Meeting	Agenda item	Author	Purpose and whether mandatory	Frequency
14 March 2024	Procurement Card Audit - Management Response	Assistant Director – Corporate / Chief Finance Officer PSPS	To provide the Committee with a management response from the Council and PSPS in respect of the Procurement Card Audit	Ad Hoc
	Internal Audit Progress Report 2023/24 (to March 2024)	Internal Audit Manager	To update Committee on progress of the plan. Not mandatory, but part of Governance role.	Twice per year
	Draft Annual Internal Audit Plan 2024/25	Internal Audit Manager	Annual Internal Audit Workplan - Mandatory approval	Annual
	Q3 Treasury Management Update	Treasury and Investment Manager PSPS	To comply with Treasury Management Strategy reporting requirements	Quarterly
	Financial Statements - Accounting Policies 2023/24	Deputy Chief Finance Officer PSPS	Not mandatory, but good practice.	Annual
	Recruitment of G&A Committee Co-opted Independent Member	Assistant Director – Governance	To consider the recruitment of Co-opted Independent members to the Governance and Audit Committee. Not mandatory but good practice.	Ad Hoc
	Q3 Risk Report	Business Intelligence and Change Manager	Part of Governance role – not mandatory	Quarterly
	Report on a Fraud Case	Assistant Director – Leisure and Culture		Ad Hoc

PENDING ITEMS

Date of Meeting	Agenda item	Author	Purpose and whether mandatory	Frequency
TBC	External Audit Plan 2023/24	KPMG	External Audit Plan – Mandatory Approval	Annual
First meeting of 2024/2025	Combined Assurance Report	Internal Audit Manager	Combined Assurance Report	Internal Audit Manager
July 2024	Approval of Annual Governance Statement for inclusion with the Council's published financial statements and approval of the audited 2023/2024 financial statements	Chief Finance Officer (PSPS)		Annual
TBC	External Audit Results Report 2022/23	External Audit Manager (Ernst Young)	Mandatory report to those charged with Governance	Annual
TBC	Unaudited Financial Statements including Annual Governance Statement 2022/23	Deputy Chief Finance Officer PSPS	To approve financial statements prior to release to External Audit. Mandatory	Annual

The following item to be added to the Committee's Work Programme on an ad hoc basis, where there is information to report:

- **March 2024 – Diarise to review the Counter Fraud, Corruption and Bribery Policy, and the Whistleblowing Policy (to be reviewed every three years, last reviewed March 2021 (Whistleblowing Policy) and 17 June 2021 (Counter Fraud, Corruption and Bribery Policy)).**