



## SHDC GOVERNANCE AND AUDIT COMMITTEE TERMS OF REFERENCE

<b>COUNCIL BODY:</b>	<b>MEMBERSHIP:</b>	<b>FUNCTIONS / TERMS OF REFERENCE:</b>
Governance and Audit Committee	<p>7 non-Cabinet members, excluding the Chairman of the Council and the Chairman of the Performance Monitoring Panel and Policy Development Panel</p> <p>Quorum 3 (SO 38)</p> <p>Substitutions are not permitted.</p> <p>Up to 2 Co-opted Independent members.</p>	<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><b>Internal Audit</b></p> <ol style="list-style-type: none"> <li>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.</li> <li>2. To consider the outcomes of the internal audit plan of work and to monitor management's progress in implementing agreed audit recommendations.</li> <li>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.</li> <li>4. To consider the performance of the internal auditors in relation to the adherence to the Public Sector Internal Audit Standards.</li> </ol> <p><b>External Audit</b></p> <ol style="list-style-type: none"> <li>5. To consider annually the External Audit plan of work.</li> <li>6. To consider External Audit reports and letters.</li> </ol>

		<p><b>Accounts / Finance</b></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 &amp; Policy and subsequent performance against this.</p> <p><b>Risk Management</b></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><b>Governance</b></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 2026/2027**  
**GOVERNANCE LEAD: JOHN MEDLER | FINANCE LEAD: SAMANTHA KNOWLES (PSPS)**

**Work Programme 2026/27**

2026/27	Agenda item	Author	Purpose and whether mandatory	Frequency
<b>2 July 2026</b>	Q4 Risk Report 2025/2026	Business Intelligence and Change Manager	Part of Governance role – not mandatory	Quarterly
	Internal Audit Annual Report and Opinion 2025/26	Internal Audit Manager	Internal Audit opinion to support draft Annual Governance Statement Mandatory	Annual
	Public Works Loan Board Housing Revenue Account Borrowing	Sean Howsam	Ad Hoc	Ad hoc
	Annual Treasury Report 2025/26	Treasury and Investment Manager (PSPS)	To comply with Treasury Management Strategy - Mandatory	Annual
	Unaudited Financial Statements 2025/26	The Head of Finance Delivery – Technical and Corporate (PSPS)	To review the Unaudited Financial Statements - Mandatory	Annual
	Annual Governance Statement 2025/26	Group Manager Insights and Transformation	To review the Draft Annual Governance Statement - mandatory	Annual
	Rebuilding Assurance Risk Assessment for the year ended 31 March 2026	KPMG	Required to report by 31 July 2026	Annual
	Combined Assurance Status Report 2025/26	Assistant Director – Governance (Monitoring Officer)	Part of Governance role - good practice	Annual
<b>10 Sept 2026</b>	Q1 Risk Report 2026/27	Business Intelligence and Change Manager	Part of Governance role – not mandatory	Quarterly

2026/27	Agenda item	Author	Purpose and whether mandatory	Frequency
	Q1 Treasury Report 2026/27	Treasury and Investment Manager PSPS	To comply with Treasury Management Strategy reporting requirements	Quarterly
	Internal Audit Progress Report 2026/27	Internal Audit Manager	Not mandatory, but part of Governance role.	Twice per year
	External Auditors Progress Report 2026/27 – <i>verbal update</i>	External Audit Manager KPMG	Good practice	Each meeting
	Governance and Audit Annual Report	Democratic Services	Good practice - SHDC Constitution states that committee work activities be reported annually to Council	Annually
	Local Code of Corporate Governance	Assistant Director – Governance (Monitoring Officer)/ Scrutiny and Policy Officer	To approve the updated Local Code of Corporate Governance. Not mandatory, but best practice.	3 yearly
	Governance and Audit Self Assessment Action Plan	Assistant Director – Governance (Monitoring Officer)	Good Practice	Annual
<b>12 Nov 2026</b>	Q2 Risk Report 2026/27	Business Intelligence and Change Manager	Part of Governance role – not mandatory	Quarterly
	Treasury Management Mid-Year report 2026/27	Treasury and Investment Manager PSPS	To comply with Treasury Management Strategy reporting requirements	6-monthly
	Audited Financial Statements including Annual Governance Statement 2026/27 ( <i>goes with same meeting as External Audit Completion Report below</i> )	The Head of Finance Delivery – Technical and Corporate (PSPS)	To approve financial statements prior to release to External Audit - Mandatory	Annual
	External Audit Completion Report 2026/27 (ISA 260)	External Audit Manager KPMG	Mandatory report to those charged with Governance	Annual
	External Auditor’s Annual Report 2026/27	External Audit Manager KPMG	Mandatory	Annual

2026/27	Agenda item	Author	Purpose and whether mandatory	Frequency
	Information Governance Annual Report	Information Manager / Data Protection Manager	Mandatory	Annual
	Annual Governance Statement Action Plan	Suzanne Rolfe	Good practice	6-monthly
<b>28 Jan 2027</b>	Draft Treasury Management Policy and Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2027/28	The Head of Finance Delivery – Technical and Corporate (PSPS)/ Treasury and Investment Manager PSPS	Mandatory requirement. To review Treasury Management Strategy and approve Prudential Indicators.	Annual
	Internal Audit Progress Report	Internal Audit Manager	To update Committee on progress of the plan. Not mandatory, but part of Governance role.	Twice per year min
<b>18 March 2027</b>	Combined Assurance Status Report 26/27	Assistant Director – Governance (Monitoring Officer)		Annual
	Q3 Risk Report 2026/27	Business Intelligence and Change Manager	Part of Governance role – not mandatory	Quarterly
	Draft Internal Audit Plan 2027/28	Internal Audit Manager	Annual Internal Audit Workplan - Mandatory approval	Annual
	Financial Statements – Accounting Policies 2026/27	Deputy Chief Finance Officer PSPS	Not mandatory, but good practice.	Annual
	Internal Audit Progress Report	Internal Audit Manager	To update Committee on progress of the plan. Not mandatory, but part of Governance role.	Twice per year min
	Update in respect of RIPA 2000	Information Manager / Data Protection Officer	To provide the Committee with an update to the Council's Policy and Procedures on the Regulation of Investigatory Powers Act 2000 (RIPA Policy) and its use and to provide assurance and information.	Annual

2026/27	Agenda item	Author	Purpose and whether mandatory	Frequency
	External Audit Strategy and Planning Report 2026/27	External Audit Manager KPMG	Mandatory Approval	Annual
	Q3 Treasury Report 2026/27	Treasury and Investment Manager PSPS	To comply with Treasury Management Strategy reporting requirements	Quarterly

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

- **Code of Corporate Governance** – to adopt the updated Local Code of Corporate Governance, mandatory, to be reviewed every 3 years - last reviewed 19 September 2023.
- **Whistleblowing Policy and Procedure** – to be reviewed every 3 years - last reviewed 29 January 2026.
- **Counter Fraud, Bribery and Anti-Corruption Policy** - to be reviewed every 3 years - last reviewed 13 November 2025.