

PROPOSED UPDATES TO CORPORATE GOVERNANCE COMMITTEE

Terms of Reference

The Corporate Governance Committee's terms of reference are set out below and it will be for the Committee to determine how to exercise these functions. The Committee may require any Member or Officer of this Council to attend before it to answer questions and may invite other persons to attend meetings of this Committee.

1. Responsibilities in respect of the Council's Constitution

1.1 The Constitution requires the Corporate Governance Committee to monitor and review the operation of the Constitution. It shall make proposals for changes to ensure that the Constitution continues to:

- enable the Council to provide clear leadership to the community in partnership with citizens, businesses and other organisations;
- enable decisions to be taken efficiently and effectively;
- ensure that those responsible for decision making are clearly identifiable to local people and that they explain the reasons for decisions;
- create effective means of holding decision-makers to public account;
- ensure that no one will review or scrutinise a decision in which they were directly involved;
- support the active involvement of the citizens in the process of local authority decision-making;
- help members represent their constituents more effectively; and
- provide a means of improving the delivery of services to the community.

1.2 In undertaking this task, the Corporate Governance Committee may:

- observe meetings of different parts of the member and officer structure;
- undertake an audit trail of a sample of decisions;
- record and analyse issues raised by councillors, officers, the public and other relevant stakeholders; and
- compare practices in this Council with those in other comparable authorities, or national examples of best practice.

1.3 When carrying out these functions the membership of the Corporate Governance Committee shall include as voting members the Chair of the Council together with one member from any political group not otherwise represented on the Committee.

1.4 The Corporate Governance Committee shall conduct a review of the Constitution on an annual basis with recommendations in accordance with 1.1.

2 Responsibilities in respect of corporate governance

2.1 Review the Council's arrangements for corporate governance and agree necessary actions to ensure compliance with best practice.

2.2 Review and governance and assurance arrangements for significant partnerships or collaborations

2.3 Monitor the Council's compliance with its own and other published standards and controls.

2.4 Oversee the production of the Council's Annual Governance Statement and recommend its adoption.

2.5 Refer issues for action to other Council committees as deemed appropriate and request responses to ensure that issues are followed up.

2.6 Provide an annual report to Council on the Committee's performance and effectiveness.

2.7 Monitor the attendance of Members at meetings with guidance from the Monitoring Officer

3 Responsibilities in respect on internal & external audit

3.1 Approve the internal audit charter.

3.2 Consider the audit planning strategies of the internal and external auditors, including the internal audit's resource requirements and external audit's fee.

3.3 Make appropriate enquiries of both management and the Chief Internal Auditor to determine if there are any inappropriate scope or resource limitations

3.4 Consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Chief Internal Auditor. To approve and periodically review safeguards to limit such impairments.

3.5 Consider the annual reports and opinions of the internal and external auditors.

3.6 Consider individual internal audit and external regulator reports including but not limited to those from the Wales Audit Office, the Office of Surveillance Commissioners and the Information Commissioner's Office.

3.7 Review progress in delivering the Internal Audit Strategy.

3.8 Consider management's response to issues raised by the internal auditor and external regulators and, where appropriate, request a response from management.

3.9 Review the performance of the internal and external auditors on an annual basis including the external quality assessment of internal audit that takes place at least once every five years

3.10 To commission work from internal and external audit.

3.11 Hold periodic private meetings with the internal and external auditors in order to oversee such arrangements.

3.12 Advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies

4 Responsibilities in respect of the financial accounts

4.1 Review, scrutinise and approve the Council's annual statement of accounts, ensuring that proper accounting policies have been followed and that all concerns arising from the financial statement or the audit are brought to the attention of the Council through reports and recommendations.

4.2 To keep under review the Council's Financial Regulations and Contract Procedure Rules and all other corporate directions concerning financial control including the use of delegated decisions in respect of contract awards and exemptions from tendering.

4.3 Scrutinise the Council's Treasury Management Strategy Statement and the Annual Report on Treasury Activities before approval by Council in February and Cabinet in September respectively.

4.4 Receive on a six monthly basis, reports on Treasury Management to ensure that the Committee is updated on the latest developments in the Council's treasury activities.

4.5 Review the Council's risk exposure and its ability to manage risk in relation to its treasury management activities.

5 Responsibilities in respect of risk management

5.1 Monitor the effective development and operation of risk management within the Council including reviewing the integrity of any risk management systems and making reports and recommendations to the Council on the adequacy and effectiveness of those arrangements.

5.2 Review the Corporate Risk Register and, where appropriate, request a response from management on actions to manage risks.

6 Responsibilities in respect of fraud & corruption

6.1 Monitor Council policies on policy and its procedural arrangements for Officers and Members to raise concerns in confidence, about possible wrongdoing in financial reporting and other matters, including appropriate follow up action.

6.2 Review the Council's policy and procedures for detecting fraud and corruption.

6.3 Review the Council's systems and controls for the prevention of bribery and receive reports on non-compliance.

6.4 Receive, on a quarterly basis, summary reports of all suspected irregularities, including any instances of fraud and corruption, from the Head of Internal Audit & Risk Management

7 Responsibilities in respect of complaints

7.1 Receive, on a six monthly basis, statistical reports and details of the complaints received and investigated through the County Council's Complaints Procedure and the outcome of those investigations.

7.2 Review, on an annual basis, the results of investigations carried out under the County Council's Complaints Procedure, and review the operation of the Procedure, recommending to Council any modifications that it considers necessary.

7.3 Review on an annual basis the results of complaints made to the Information Commissioners Office regarding complaints under the Freedom of Information Act, the Data Protection Act and the Environmental Information Regulations.

7.4 Review on an annual basis the results of complaints of maladministration made to the Public Services Ombudsman for Wales and any follow up action or 'lessons learned' from such appeals.

8 Responsibilities in respect of indemnities

8.1 Consider the level of professional representation of a member under the terms of the form of indemnity to members and officers approved by Council on 23 September 2008".

9 Membership of the Corporate Governance Committee

9.1 **The composition of the audit committee for Welsh local authorities is subject to the Local Government (Wales) Measure 2011, which requires local authority audit committees to have at least one lay member. Up to one-third of the committee membership may be lay members. Only one of the committee's members may be from the council's executive and this must not be the leader or the elected mayor.**

9.2 Six Councillors politically balanced. Members may not be Chair of Council, Cabinet members or Scrutiny Committee members.

9.2.1 Six Councillors politically balanced. Members may not be Chair of Council or a Cabinet member.

9.2.2 One 'independent' lay member, who is not either a Councillor or an Officer or the spouse or civil partner of a Councillor or an Officer of this Council or any

other relevant authority as defined in the Local Government Act 2000; nor a former Councillor or Officer of this Council.