



## **SOUTH YORKSHIRE FIRE AND RESCUE AUTHORITY**

### **Supporting Information – Audit and Governance Committee**

#### **1. Purpose of the Committee**

The purpose of the Audit Committee is to oversee the work of the Internal and External Audit functions and provide independent assurance of the effectiveness of:

- The governance arrangements of the Authority and its services.
- The Authority's risk management framework and the associated control environment.
- The Authority's financial management processes and the way this relates to the performance of the Authority as a whole.

#### **2. Composition of the Committee**

In the view of CIPFA, an Audit and Governance Committee should be an unbiased and a-political stand-alone Committee of the Authority. All members of the Committee should therefore act in the interests of the Authority and not on behalf of any political party, constituency, borough, ward or interest group.

Nationally-recognised best practice recommends that membership of the Committee is structured to demonstrate independence from the main decision making bodies of the Authority.

It is recommended that membership of the Audit and Governance Committee is politically balanced and may contain up to 3 Independent Members appointed by external recruitment following appropriate advertisement / publication via a variety of methods. In line with the Local Government and Housing Act 1989 **Independent Members will not have voting rights** as the Committee is a decision-making body, and not purely advisory.

#### **3. Membership / Meetings / Terms of Reference etc**

**Membership** - (as per CIPFA statement on audit committees) –Treasurer, Chief Fire Officer & Chief Executive or Deputy, Head of Internal Audit, appointed External Auditor, Monitoring Officer, plus other officers of the Authority as required.

Five elected Members (excluding the Chair and Vice-Chair), Three Independent members.

**Frequency of meetings** - Six meetings per year (July, September, November, January, March and May). Additional meetings can be arranged at the discretion of the Chair to address any urgent business.

**Reporting lines** - direct to the Authority.

## **Terms of Reference**

### ***Audit Activity***

- To consider the following internal audit reports:
  - Annual plan and strategy and performance measures;
  - Progress reports (actual against the plan) including summaries of the results of individual audits, internal control issues arising, and action plans implementation (including external audit action plans);
  - Annual report on internal audit activity and performance achievements and the opinion on the Authority's internal control arrangements.
- To consider the external auditor's governance report and annual audit letter and other significant reports.
- To commission work from internal and external audit.

### ***Regulatory Framework***

- To maintain an overview of the Authority's constitution in respect of:-
  - Contract standing orders and procedures;
  - Financial regulations and procedures;
  - Codes of conduct and behaviour.
- To monitor the effective development and operation of risk management.
- To approve the Authority's anti-fraud and anti-corruption strategy and "whistle-blowing" policy, and to monitor the arrangements for those and the complaints process.
- To oversee the production of, and approve, the Authority's Annual Governance Statement.
- To consider the Authority's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.

### ***Accounts***

- To approve the annual Statement of Accounts focussing on:-
  - The suitability of, and any changes in, accounting policies;
  - Major judgmental issues, e.g. provisions.
- To receive and agree the response to the external auditor's report to those charged with governance on issues arising from the audit of the accounts focussing on significant adjustments and material weaknesses in internal control reported by the external auditor.

### ***Treasury Management***

- To scrutinise and make recommendations to the Authority on the Treasury Management Strategy and policies, and to monitor the implementation of policies and practices.