

Appendix A to Changes to Governance and Audit Arrangements - Proposed Terms of Reference of the Governance and Ethics Committee

The roles and functions of the Governance and Ethics Committee are to:

1. Consider and make recommendations to the Council on proposed changes to the Constitution.
2. Consider any governance issues emanating from the Government and determine their effect on the Council's business and governance processes.
3. Review the effectiveness of the Council's Risk Management arrangements, the control environment and associated Anti Fraud and Corruption arrangements.
4. Seek assurance that action is being taken on risk related issues identified by auditors and inspectors.
5. Be satisfied that the Council's assurance statements (currently produced annually by all Heads of Service) and the Annual Governance Statement properly reflect the risk environment and any actions required to improve it.
6. Be satisfied that any Partnership that the Council enters into has robust Governance and Risk Management arrangements and that any risk to the Council from the Partnership is minimised.
7. Approve the Internal Audit Strategy and Plan (to ensure that there is adequate coverage) and monitor performance (assessing whether adequate skills and resources are available to provide an effective function).
8. Receive an interim and annual report from the Head of Internal Audit on work undertaken during the year.
9. To consider any issues brought to the attention of the Committee, or Chair and Vice-Chair, by the Chief Internal Auditor at any time during the year.
10. Consider reports of external audit and inspection agencies.
11. Ensure that there are effective relationships between external and internal audit and inspection agencies and other relevant bodies and that the value of the audit process is actively promoted.
12. Review the financial statements, including the suitability of accounting policies and treatments, provisions or adjustments.
13. Review the external auditors annual audit letter, any other reports and opinion and monitor management action in response to issues raised. (Also comment on the external auditors planned work programme.)

14. Promote and maintain high standards of conduct by Councillors and co-opted Members;
15. Assist the Councillors and co-opted Members to observe the Members' Code of Conduct;
16. Advise the Council on the adoption or revision of the Members' Code of Conduct;
17. Monitor the operation of the Members' Code of Conduct;
18. Advise, train or arrange to train Councillors and co-opted Members on matters relating to the Members' Code of Conduct;
19. Grant dispensations to Councillors and co-opted Members on requirements relating to interests set out in the Members' Code of Conduct;
20. Ensure arrangements are in place under which allegations of misconduct in respect of the Members' Code of Conduct can be investigated and to review such arrangements where appropriate;
21. Exercise (15) to (21) above in relation to the Parish / Town Councils wholly or mainly in its area and the Members of those Parish / Town Councils;

Advisory Panel

1. The Governance and Ethics Committee shall be supported by an Advisory Panel of eight members comprising 2 members of the administration, 2 members of the opposition, 2 parish council representatives and 2 independent members (who shall not be Independent Persons)
2. The Advisory Panel shall be responsible for dealing with complaints where evidence of breach of the Code has been identified and shall report its findings to Standards Committee for formal decision.
3. The Advisory Panel shall be chaired by an Independent Member
4. The Advisory Panel will report its findings to the (name) Committee for formal decision.