

PURPOSE

To provide an independent high-level focus on the adequacy of governance, risk and control arrangements.

RESPONSIBILITIES

Core functions

The core functions of the audit committee are to provide oversight of a range of core governance and accountability arrangements, responses to the recommendations of assurance providers and helping to ensure robust arrangements are maintained.

The specific responsibilities include:

Maintenance of governance, risk and control arrangements

- Support a comprehensive understanding of governance across the organisation and among all those charged with governance, fulfilling the principles of good governance.
- Consider the effectiveness of the authority's risk management arrangements. It should understand the risk profile of the organisation and seek assurances that active arrangements are in place on risk-related issues, for both the body and its collaborative arrangements.
- Monitor the effectiveness of the system of internal control, including arrangements for financial management, ensuring value for money, supporting standards and ethics and managing the authority's exposure to the risks of fraud and corruption.

Financial and governance reporting

- Be satisfied that the authority's accountability statements, including the annual governance statement, properly reflect the risk environment, and any actions required to improve it, and demonstrate how governance supports the achievement of the authority's objectives.
- Support the maintenance of effective arrangements for financial reporting and review the statutory statements of account and any reports that accompany them.

Establishing appropriate and effective arrangements for audit and assurance

- Consider the arrangements in place to secure adequate assurance across the body's full range of operations and collaborations with other entities.
- In relation to the authority's internal audit functions:
 - oversee its independence, objectivity, performance and conformance to professional standards
 - support effective arrangements for internal audit
 - promote the effective use of internal audit within the assurance framework.
- Consider the opinion, reports and recommendations of external audit and inspection agencies and their implications for governance, risk management or control, and monitor management action in response to the issues raised by external audit.
- Contribute to the operation of efficient and effective external audit arrangements, supporting the independence of auditors and promoting audit quality.
- Support effective relationships between all providers of assurance, audits and inspections, and the organisation, encouraging openness to challenge, review and accountability.

MEMBERSHIP

Four elected Members drawn from the membership of the Governance and Constitution Committee and appointed in political proportion. One co-opted Independent Audit Committee Member.

The Chair of the Audit Committee will be one of the four elected Members.

NB – Substitutes are not allowed.

QUORUM

Three of the five members of the Committee must be in attendance for the meeting to be quorate.

ATTENDEES

In addition to the Audit Committee members, the individuals fulfilling the following roles will normally be expected to attend each meeting of the Audit Committee:

- Chief Fire Officer and Chief Executive, or Deputy Chief Fire Officer, or Assistant Chief Fire Officer
- Treasurer/Section 151 Officer and/or Head of Finance (or similar role(s))
- Monitoring Officer
- Internal Audit representative
- External Audit representative
- Officer responsible for risk management

Other officers can be required to attend upon request from the Committee.

TRAINING

All members of the Audit Committee are expected to undertake training. The Treasurer/Section 151 Officer will, in consultation with the External Auditor and Internal Auditor, prepare a training plan which will be approved by the Audit Committee. The Treasurer/Section 151 Officer will secure delivery of the training plan.

MEETING FREQUENCY AND OUTPUTS

The Audit Committee must meet regularly and in any event no less than four times a year. The timing of meetings will be co-ordinated taking into account various reporting requirements.

The Audit Committee must prepare an annual report which will include an evaluation of its impact.