

AUDIT COMMITTEE

A REMIT AND POWERS

- 1
 - (a) To undertake a corporate overview of the Council's control environment, including financial and non-financial controls.
 - (b) To develop an anti-fraud culture within the Council to ensure the highest standards of probity and public accountability.
 - (c) To commission special investigations on the Committee's behalf on matters of particular concern relating to internal controls.
 - (d) To evaluate the arrangements in place for securing the economical, efficient and effective management of the Council's resources.
 - (e) To approve the annual internal audit plan and the annual counter fraud plan, and to consider the annual external audit plan.
 - (f) To give consideration to internal audit, counter fraud and external audit reports which identify deficiencies in relation to the internal controls in operation and ensure that management implement the recommendations incorporated within the audit report action plans by the agreed date.
 - (g) To redirect internal audit resources as and when deemed appropriate.
 - (h) To monitor the overall performance of the internal audit and counter fraud services in terms of productivity, effectiveness, customers' satisfaction etc.
 - (i) To consider the internal audit annual report including reviewing the effectiveness of the system of internal control.
 - (j) To consider the unaudited annual accounts, the audited annual accounts, the external auditor's annual report and management's response.
 - (k) To maintain an effective working relationship with external audit and with the council's Governance & Risk Committee.
- 2 In pursuing its remit the Committee has the following powers:-
 - (a) To require Internal Audit to obtain documents and information relevant to the Committee's role and remit.
 - (b) To have the right to call any Elected Member or officer before the Committee.
 - (c) To take decisions in relation to all aspects of the Committee's remit, subject to the Committee not taking decisions which will change or conflict with council policy or commit the Council to significant expenditure, although the Committee may make recommendations to the Council on policy matters or expenditure.

B MEMBERSHIP

- 1 5 elected members (2 Labour, 2 SNP, 1 Conservative), with the Chair to be a member from outwith the administration group or groups.
- 2 1 lay member to be appointed by the Council after a recommendation from an interview panel chaired by the Chair of this Committee.

- 3 The lay member shall not be entitled to move or second motions or amendments and shall not be entitled to vote.

C QUORUM AND VOTING

- 1 3 members.
- 2 Voting shall be conducted in accordance with Standing Order 16 and Standing Order 3, as appropriate.

D SUBSTITUTES

- 1 Substitutes allowed for elected members, drawn from all Elected Members of the Council.
- 2 No substitute is allowed for the lay member.

E MEETINGS (SUBJECT TO STANDING ORDER 41)

- 1 Four scheduled meetings per year.
- 2 Meetings shall be held as physical, hybrid or remote-access meetings, in accordance with SO41.
- 3 Where 2 metre physical distancing precautions apply in the Civic Centre, the maximum number of members entitled to be physically present for a physical or hybrid meeting shall be the Chair plus 8 more, comprising 2 SNP members, 2 Labour members, 2 Conservative members, the Independent member and the Liberal Democrat member, as appropriate, to be seated in the outer circle
- 4 Where 1 metre physical distancing precautions apply in the Civic Centre, the maximum number of members entitled to be physically present for a physical or hybrid meeting shall be the Chair plus 8 more, comprising 2 SNP members, 2 Labour members, 2 Conservative members, the Independent member and the Liberal Democrat member, as appropriate, to be seated in the outer circle
- 5 Where no physical distancing precautions apply in the Civic Centre, there are no restrictions on the number of members who may be physically present for a physical or hybrid meeting.

F REPORTING ARRANGEMENTS

- 1 Minutes to be reported to and approved at the next meeting of the Committee.
- 2 Approved minutes to be reported to the Council for noting.

G MISCELLANEOUS

- 1 The Committee's role is to review and monitor all of the Council's activities in relation to:-
 - (a) Reviewing and promoting the Council's system of internal control, both financial and otherwise, aimed at ensuring that the Council's activities are carried out in an orderly and efficient manner, and that its assets are safeguarded,
 - (b) Evaluation of the Council's control environment, including measures to prevent and detect fraud,
 - (c) Monitoring the independence and effectiveness of internal and external audit.

- 2 Issues will be referred to the Committee by the Council, a Committee or an appropriate officer for due consideration. The Committee shall refer any relevant aspects of its business to the council's Governance & Risk Committee for consideration.
- 3 The Committee shall cooperate with the Governance & Risk Committee in ensuring efficient and effective arrangements for the conduct of business where the interests of the two committees are shared.
- 4 The lay (non-councillor) member is to be appointed at a meeting of full council following a recommendation from a recruitment panel comprised of the Chair (whom failing the Vice-Chair) of this Committee, a senior officer, and a member of the committee from a different party to the Chair (or Vice-Chair as the case may be). The lay member is a non-voting member with a period of appointment of three years, and is required to agree to be bound by the principles of the Councillors' Code of Conduct. At the end of the three year period, council will be asked to offer to extend the appointment for another three years or to re-advertise. If necessary for any reason, the council will terminate the appointment early.