

Audit and Governance Committee

Purpose

- 1) The Audit and Governance Committee provides independent oversight of the adequacy of the council's governance, risk management and internal control framework, and oversees the financial reporting process.

Membership

- 2) The members of the Audit Committee shall comprise nine councillors: six Conservative; two Labour; and one Liberal Democrat.

Terms of Reference

Governance

- 3) To monitor the operation of the council's corporate governance, risk management and internal control arrangements.
- 4) To monitor the effectiveness of the council's strategies to counter fraud and corruption.
- 5) To monitor compliance with the council's local corporate governance code.
- 6) To promote and maintain high standards of conduct by councillors and co-opted members, to ensure that the highest ethical standards are maintained across all areas of the council's services.
- 7) To review and approve the council's annual governance statement.
- 8) To conduct an annual review of the effectiveness of the system of internal audit.

Audit

- 9) To approve, but not direct, the annual internal audit plan.
- 10) To consider periodic reports of internal audit activity and outcomes.
- 11) To consider the head of internal audit's annual report and opinion.
- 12) To consider the external auditor's annual plan.
- 13) To consider periodic reports on external auditor's work.
- 14) To consider the external auditor's annual audit letter.

Financial statements

- 15) To consider and approve the audited financial statements of the county council and its group subsidiaries and associates.
- 16) To consider and approve the audited financial statements of Lancashire County Pension Fund.

Treasury management

- 17) To review the council's treasury management strategy and policies.
- 18) To consider periodic reports of treasury management activity.

Meetings

- 19) The Audit Committee will meet at least four times a year.