**Audit and Governance Committee**

**Purpose**

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**

The members of the Audit Committee shall comprise nine councillors.

**Terms of Reference**

**Governance**

1. To monitor the operation of the council's corporate governance, risk

management and internal control arrangements.

2. To monitor the effectiveness of the council's strategies to counter fraud

and corruption.

3. To monitor compliance with the council's local corporate governance

code.

4. 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.

5. To review and approve the council's annual governance statement.

6. To conduct an annual review of the effectiveness of the system of internal audit.

**Audit**

7. To approve, but not direct, the annual internal audit plan.

8. To consider periodic reports of internal audit activity and outcomes.

9. To consider the head of internal audit's annual report and opinion.

10. To consider the external auditor's annual plan.

11. To consider periodic reports on external auditor's work.

12. To consider the external auditor's annual audit letter.

**Financial statements**

13. To consider and approve the audited financial statements of the county

council and its group subsidiaries and associates.

14. To consider and approve the audited financial statements of Lancashire County Pension Fund.

**Treasury management**

15. To review the council's treasury management strategy and policies.

16. To consider periodic reports of treasury management activity.

**Meetings**

17. The Audit Committee will meet at least four times a year