

Committee	Date	Classification	Report No.	Agenda Item No.
Audit Committee	29th June 2009	Unrestricted		
Report of:		Title:		
Service Head, Democratic Services		Audit Committee – Terms of Reference and Membership		
Originating Officer(s): Zoe Folley		Ward(s) affected: ALL		

1. SUMMARY

- 1.1 This report sets out for members' information the decision of the Council to establish an Audit Committee and details of the Committee's Terms of Reference and Membership.

2. RECOMMENDATION

- 2.1 That the report be noted.

LOCAL GOVERNMENT ACT, 2000 (SECTION 97)

LIST OF "BACKGROUND PAPERS" USED IN THE PREPARATION OF THIS REPORT

Brief description of "background paper"

Name and telephone number of holder
and address where open to inspection

Council's Constitution

Zoe Folley
020 7364 4877

Council AGM 20 May 2009 – Report and Decision –
Agenda item 11

"Appointment to Committees and Panels of the Council"

Council 22 April 2009 – Report and Decision - Agenda item 10.1

"Programme of Meetings 2009/10"

Council 22 April 2009 — Report and Decision - Agenda Item 12.

Review of the Constitution

3. TERMS OF REFERENCE

- 3.1 On 20th May 2009 the Council established a cross party, non executive Audit Committee with terms of reference consistent with the Chartered Institute of Public Finance and Accountability Guidance (CIPFA) which are set out below:
- 1 To consider the Audit Plan and review the performance of Internal Audit against this target;
 - 2 To review internal audit findings and the annual report from the Head of Audit and seek assurance that action has been taken where necessary;
 - 3 To act as a forum for the Audit Commission (external audit) to bring issues to Members' attention including both specific reports and general item such as the Annual Audit Letter and the Annual Governance Report;
 - 4 To be satisfied that the authority's assurance statements, including the Annual Governance Statement properly reflect the risk environment and any actions required to improve it;
 - 5 To enable the Council to demonstrate a response to its fiduciary responsibilities in preventing fraud and corruption;
 - 6 To consider reports of audit activity together with specific investigations;
 - 7 To monitor the Authority's Risk Management arrangements and seek assurance that action is being taken on risk related issues identified by auditors and inspectorates;
 - 8 To make arrangements for the proper administration of the Council's financial affairs and for the proper stewardship of public funds expect the appointment of the Chief Finance Officer which shall remain the duty of the Council; and
 - 9 To meet the obligations of the Accounts and Audit Regulations 1996 and the various statutory requirements in respect of the duty to approve the Authority's Statement of Accounts, income and expenditure and balance sheet or record of payments and receipts (as the case may be).

4. MEMBERSHIP

- 4.1 The Audit Committee is subject to the proportionality rules in the Local Government and Housing Act 1989. As part of the overall allocation of Committee places under those rules the Council has agreed that the Committee will comprise of 7 Members, allocated amongst the political groups as set out below. The following Councillors have been appointed to serve on the Audit Committee for the remainder of the 2009/10 municipal year.

Political Group	Labour (4)	Conservative (1)	Respect (1)	Liberal Democrat (1)
Members	Councillors Fazlul Haque Helal Abbas Clair Hawkins Denise Jones (Deputies Councillors Lutfu Begum . Mohammed Abdullah Salique, Mohammed Shahid Ali)	Councillor David Snowdon (Deputy Councillor Rupert Eckhardt)	Councillor Abjol Miah (Deputies Councillors Shahed Ali Harun Miah Mohammed Abdul Munim)	Councillor Stephanie Eaton.

6. QUORUM

- 6.1 In accordance with Council Procedure Rule 8.1, the quorum for the Audit Committee will be 3 Members.

7. CHAIR & VICE-CHAIR

- 7.1 On 22nd April 2009, Council resolved in line with CIPFA guidance that the Committee should not be chaired by an Executive Member.
- 7.2 It is traditional for the Chair and Vice-Chair of the Committee to be elected at the first meeting of each Municipal Year.

8. DATES OF FUTURE MEETINGS

- 8.1 Set out below are the dates for meetings of the Audit Committee during the Municipal Year 2009/2010, agreed by Full Council in April 2009.

Monday 29th June 2009,
 Tuesday 29th September 2009
 Tuesday, 15th December 2009
 Tuesday , 30th March 2010

After liaising with the Chair, these meetings have been scheduled to take place at 7.30pm.

9. COMMENTS OF THE CHIEF FINANCE OFFICER

9.1 The Chief Finance Officer has noted the contents of the report and has no further comments to make.

10. COMMENTS OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

10.1 Pursuant to the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended) the duty to make arrangements for proper administration of financial affairs and the duty to approve the Council's statement of accounts etc are non-executive functions.

10.2 Under section 101 Local Government Act 1972 the Council may arrange for the discharge of its functions by a committee and pursuant to Section 15 Local Government and Housing Act 1989 the committee seats should be allocated to the political groups in proportion to the political breakdown of the Council (as far as reasonably practicable).

11. EQUAL OPPORTUNITY CONSIDERATIONS

11.1 There are no specific Equal Opportunities issues arising from this report.

12. ANTI-POVERTY CONSIDERATIONS

12.1 There are no specific anti poverty issues arising from this report.

13. RISK MANAGEMENT IMPLICATIONS

13.1 There are no specific risk management issues arising from this report.

14. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT (SAGE)

14.1 There are no specific SAGE implications.