

AUDIT, PENSIONS AND STANDARDS COMMITTEE

TERMS OF REFERENCE

1. Membership

1.1 The Committee will have the following membership:

4 Administration Councillors

2 Opposition Councillors

1.2 The Chairman will be drawn from one of the Administration Councillors; the Vice-Chairman will be an Opposition Councillor.

1.3 The Committee may co-opt non-voting independent members as appropriate.

1.4 The agenda of meetings of the Committee will be divided into separate sections for Audit, Pensions and Standards matters.

1.5 The Pension Fund's external investment managers will be required to attend meetings of the Committee when dealing with Pensions matters and to submit reports and make presentations as required.

1.6 The Trades Unions and representatives from the admitted and scheduled bodies in the Pensions Fund shall be invited to attend and participate in meetings considering Pensions matters, but shall not have a formal vote.

1.7 The Committee may ask the Head of Internal Audit, a representative of External Audit, the Risk Management Consultant, Assistant Director (Business Support) and any other official of the organisation to attend any of its meeting to assist it with its discussions on any particular matter.

2. Quorum

2.1 The quorum of the Committee shall be 3 members.

3. Voting

3.1 All Councillors on the Committee shall have voting rights. In the event of an equality of votes, the Chairman of the Committee shall have a second casting vote. Where the Chairman is not in attendance, the Vice-Chairman will take the casting vote.

4. Procedures

- 4.1 Except as provided herein, Council Procedure Rules (as applicable to all Committees) shall apply in all other respects to the conduct of the Committee.
- 4.2 Meetings of the Committee shall be held in public, subject to the provisions for considering exempt items in accordance with sections 100A-D of the Local Government Act 1972 (as amended).

5. **Meetings**

- 5.1 The Audit, Pensions and Standards Committee will meet at least four times a year.
- 5.2 Meetings will generally take place in the spring, summer, autumn, and winter. The Chairman of the Committee may convene additional meetings as necessary.
- 5.3 The Chief Executive may ask the Committee to convene further meetings to discuss particular issues on which the Committee's advice is sought.

6. **Reporting**

- 6.1 The Audit, Pensions and Standards Committee will formally report back in writing to the full Council at least annually.

7. **Responsibilities**

(a) Audit

- 7.1 The Audit, Pensions and Standards Committee will advise the Executive on:
 - the strategic processes for risk, control and governance and the Statement on Internal Control;
 - the accounting policies and the annual accounts of the organisation, including the process for review of the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors;
 - the planned activity and results of both internal and external audit;
 - the adequacy of management responses to issues identified by audit activity, including the external auditor's annual letter
 - the Chief Internal Auditor's annual assurance report and the annual report of the External Auditors.
 - assurances relating to the corporate governance requirements for the organisation;
 - (where appropriate) proposals for tendering for either Internal or External Audit services or for purchase of non-audit services from contractors who provide audit services.

- 7.2 The Committee's responsibilities in relation to the annual accounts will include:
- to approve the Council's Statement of Accounts, in accordance with the deadlines set out in the Accounts and Audit Regulations 2003;
 - acting as the Approval of Accounts Committee, to be held in June;
 - to consider any report as necessary from the External Auditor under Statement of Auditing Standard 610;
 - to re-approve the Council's Statement of Accounts following any amendments arising from the external audit, in accordance with the deadlines set out in the Accounts & Audit Regulations 2003.

- 7.3 The Committee's responsibilities in relation to risk management will encompass the oversight of all risk analysis and risk assessment, risk response, and risk monitoring. This includes:
- the establishment of risk management across the organisation, including partnerships;
 - awareness of the Council's risk appetite and tolerance;
 - reviewing of the risk portfolio (including IT risks);
 - being appraised of the most significant risks;
 - determining whether management's response to risk and changes in risk are appropriate.

- 7.4 The Council has nominated the Committee to be responsible for the effective scrutiny of the Treasury Management Strategy and policies.

(b) Pensions - Decision-Making Powers (The following powers are hereby delegated on behalf of the Council)

- 7.5 To determine the overall investment strategy and strategic asset allocation of the Pension Fund.
- 7.6 To appoint the investment manager(s), custodian, actuary and any independent external advisors felt to be necessary for the good stewardship of the Pension Fund.
- 7.7 To monitor the qualitative performance of the investment managers, custodians, actuary and external advisors to ensure that they remain suitable.
- 7.8 To review on a regular basis the investment managers' performance against established benchmarks, and satisfy themselves as to the managers' expertise and the quality of their internal systems and controls,
- 7.9 To prepare, publish and maintain the Statement of Investment Principles, and monitor compliance with the statement and review its contents,
- 7.10 To prepare, publish and maintain the Funding Strategy Statement, the Governance Compliance Statement, and the Communications Policy and Practice Statement, and to revise the statements to reflect any material changes in policy,
- 7.11 To approve the final accounts and balance sheet of the Pension Fund and

approve the Annual Report.

- 7.12 To receive actuarial valuations of the Pension Fund regarding the level of employers' contributions necessary to balance the Pension Fund.
- 7.13 To oversee and approve any changes to the administrative arrangements and policies and procedures of the Council for the payment of pensions, compensation payments and allowances to beneficiaries.
- 7.14 To consider any proposed legislative changes in respect of the Compensation and Pension Regulations and to respond appropriately.
- 7.15 To approve the arrangements for the provision of AVCs for fund members.
- 7.16 To receive and consider the Audit Commission's report on the governance of the Pension Fund.

(c) Standards

- 7.17 To promote and maintain high standards of conduct by the Executive, non-executive Councillors, co-opted Members and church and parent governor representatives;
- 7.18 To assist Councillors, co-opted Members, and church and parent governor representatives to observe the Members' Code of Conduct;
- 7.19 to advise the Council on the adoption or revision of the Members' Code of Conduct;
- 7.20 To monitor the operation of the Members' Code of Conduct;
- 7.21 To advise and recommend training for Councillors, and co-opted Members and church and parent governor representatives on matters relating to the Members' Code of Conduct;
- 7.22 To fulfil the requirements under Section 28 of the Localism Act 2011 to put in place "arrangements" under which allegations that a Member or co-opted Member of the Council, or of a Committee or Committee of the Council has failed to comply with Code of Conduct are considered, investigated and determined.

JULY 2012

Audit, Pensions and Standards (Complaints) Sub-Committee - Terms of Reference

1. Constitution

- 1.1 Under Section 28 of the Localism Act 2011, the Council must have in place “arrangements” under which allegations that a Member or co-opted Member of the Council, or of a Committee or Committee of the Council, has failed to comply with Code of Conduct.
- 1.2 The Audit, Pensions and Standards (Complaints) Sub-Committee is established by the Audit, Pensions and Standards Committee to consider, investigate and make decisions on such allegations.

2. Membership

- 2.1 The sub-committee shall comprise 3 members drawn from the membership of the Audit, Pensions and Standards Committee; two Administration Councillors and one Opposition Councillor.
- 2.2 Meetings will be convened at the request of the Monitoring Officer as required during the Municipal Year to enable the Council to discharge its obligations.

3. Quorum

- 3.1 The quorum of the sub-committee shall be 3 members.

4. Voting

- 4.1 All members of the sub-committee have voting rights. In the event of an equality of votes the Chairman shall have the casting vote.

5. Chairman

- 5.1 The Chairman shall be elected by the Members present.

6. Procedures

- 6.1 Council Standing Orders (as applicable to Committees) shall apply at meetings of the sub-committee. In the event of a conflict between these procedures and any guidance or law, then the latter will prevail.

7. Terms of Reference

- 7.1 To discharge all the Council’s functions under Section 28 of the Localism Act 2011 in relation to considering, investigating and making a decision on allegations that a Member or co-opted Member of the Council, or of a Committee or Committee of the Council, has failed to comply with Code of Conduct.

Audit, Pension and Standards (Appeals) Sub-Committee - Terms of Reference

1. Constitution

- 1.1 The Audit, Pensions and Standards (Appeals) Sub-Committee is established by the Audit, Pensions and Standards Committee to consider any appeals by Members against the decision of the Audit, Pensions and Standards (Complaints) Sub-Committee where the Member is dissatisfied with the decision of that Sub-Committee in respect of a complaint against him/her.
- 1.2 Meetings will be convened at the request of the Monitoring Officer as required during the Municipal Year to enable the Council to discharge its obligations.

2. Membership

- 2.1 The sub-committee shall comprise 3 members drawn from the membership of the Audit, Pension and Standards Committee; two Administration Councillors and one Opposition Councillor.
- 2.2 The Sub-Committee will comprise a different membership from the Sub Committee which originally made the decision.

3. Deliberations

- 3.1 The Sub-Committee in considering the appeal will undertake a review of the existing evidence, correspondence and witness statements. It will not recall witnesses nor take additional evidence.
- 3.2 At the end of its deliberations, the sub committee will either endorse the previous decision, or conclude that there is no breach and dismiss the complaint.

4. Quorum

- 4.1 The quorum of the sub-committee shall be 3 members.

5. Voting

- 5.1 All members of the sub-committee have voting rights. In the event of an equality of votes the Chairman shall have the casting vote.

6. Chairman

- 6.1 The Chairman shall be elected by the Members present.

7. Procedures

- 7.1 Council Standing Orders (as applicable to Committees) shall apply at meetings of the sub-committee. In the event of a conflict between these procedures and any guidance or law then the latter will prevail.

8. Terms of Reference

- 8.1 To hear an appeal where a Member is dissatisfied with the decision of the Audit, Pensions and Standards (Complaints) Sub-Committee in respect of a complaint against him/her.

8.2 To endorse the previous decision of the Audit, Pensions and Standards (Complaints) Sub Committee, or to conclude that there is no breach and dismiss the complaint.