

**DARTFORD BOROUGH COUNCIL
ANNUAL MEETING
8 May 2013**

**STANDING COMMITTEES, BOARDS AND PANELS
OF THE COUNCIL**

AUDIT BOARD

[REPORTING TO COUNCIL unless otherwise stated in these Terms of Reference]

Chairman: Councillor D A Hammock
Vice-Chairman: Councillor A Bardoe
**Membership: Councillors M J Bryant, J A Hayes, A R Martin, J M Ozog
and D Swinerd**

TERMS OF REFERENCE:

A.1 DELEGATED FUNCTIONS:

Audit Responsibilities

1. To consider the internal and external Audit Plans/activities.
2. To monitor and review audit performance, including summaries of all reports and monitoring of audit recommendations.
3. To consider audit reports of a sensitive and confidential nature.

Finance Responsibilities

4. To consider reports relating to matters of financial principle.
5. To adopt, approve publication of and authorise for issue, the Statement of Accounts.
6. To receive reports from the external auditor and Audit Commission.

Whistleblowing, Anti-fraud and Corruption Arrangements

7. To consider reports on matters involving potential significant fraud or financial irregularity.
8. Without prejudice to the roles and responsibilities of the Cabinet, to consider reports on the Whistleblowing Policy where fraud, corruption, bribery or other significant malpractice has occurred and to recommend accordingly to the Cabinet.

9. To consider reports on the Corporate Complaints Procedure where fraud, corruption, bribery or other malpractice has served to undermine the Council's internal controls and lines of reporting and to recommend accordingly to the Cabinet.
10. In order to ensure propriety and probity on corporate land issues including the promotion of specific corporate developments, to review the decisions of the Cabinet as they relate to the treatment of planning policy and land disposals particularly where there is a potential for conflict and to ensure that Cabinet decisions relating to corporate land and the promotion of specific corporate developments are made consistently with other decisions.
11. To receive and consider reports relating to Ombudsman investigations where fraud, corruption or other significant malpractice has occurred and to recommend accordingly to the Cabinet.
12. To review the Whistleblowing Policy and Corporate Complaints Procedure to ensure that robust arrangements are in place for the proportionate and independent investigation of such matters and for appropriate follow-up action and to recommend accordingly to the Cabinet.

Risk Management and Corporate Governance Responsibilities

13. To receive and consider reports relating to breaches of Contracts Standing Orders and Financial Regulations and to recommend accordingly to the Cabinet. (For the avoidance of doubt, the Cabinet shall in any event receive such reports for information).
14. Without prejudice to the roles and responsibilities of the Cabinet and other Committees/Boards to oversee and consider the Council's policy as regards the scope, timetable and mechanics for achieving value for money.
15. To consider and keep under review Council policies and procedures on procurement to ensure that these accord with Standing Orders, Financial Regulations and best practice.
16. To consider reports on matters involving contractual disputes and to recommend accordingly.
17. Without prejudice to the roles and responsibilities of the Cabinet, to receive and consider reports from the Monitoring Officer on lawfulness and/or maladministration.
18. To receive and consider reports from the Chief Finance Officer on vires, financial impropriety and probity issues.
19. To consider and keep under review the Council's corporate governance arrangements to ensure that these accord with and/or comply with legislation and best practice.

20. To approve the Council's risk management framework and oversee its application .

21. To agree the following:

- (a) Procurement Strategy;
- (b) Risk Management Strategy;
- (c) Anti-fraud and Corruption Strategy;
- (d) Audit Charter and Strategy.

Miscellaneous Activities

22. To monitor the Members' Allowances Scheme.

Discussion/Consultation Papers

23. To respond to discussion/consultation papers relating to matters connected/associated with the functions of the Board in accordance with the procedure set out in the Appendix to these Terms of Reference.

Standards

24. To discharge the functions (other than those which are reserved to Council) as set out in Part 1, Chapter 7 of the Localism Act 2011 including:

- (1) To promote and maintain high standards of conduct by Members and Co-opted Members of the Borough Council and to make recommendations to Council on improving standards.
- (2) To advise the Borough Council on the adoption of, or revisions to its Code of Conduct.
- (3) To advise, train or arrange to train Borough Council Members and Co-opted Members and Parish/Town Councillors on matters relating to the Code of Conduct and to assist Borough Councillors, Co-opted Members and Parish/Town Councillors to observe their Codes of Conduct and to make recommendations to the Borough and Parish/Town Councils on improving standards.
- (4) To monitor and assess the operation and effectiveness of the Code of Conduct and to maintain oversight of and review and manage the Arrangements for dealing with Code of Conduct Complaints.
- (5) To advise on local ethical governance protocols and procedures and to act as an advisory body in respect of any ethical governance matter.
- (6) To receive annual reports respectively on the Borough Council's ethical governance arrangements and the number and nature of complaints received and action taken in consultation with the Independent Person.

- (7) To monitor and review the procedures for the Register of Members' Interests and registering and declaring gifts, benefits and hospitality.
- (8) To appointment a sub-committee to deal with Code of Conduct complaints, following investigation.
- (9) To grant dispensations to Members with Disclosable Pecuniary Interests or Prejudicial Interests where:
 - (i) without the dispensation, the representation of different political groups on the body transacting the business would be so upset as to alter the outcome of any vote on the matter.
 - (ii) that the Council considers that the dispensation is in the interests of persons living in its area; or
 - (iii) where the Board considers that it is otherwise appropriate to grant a dispensation.

B: REFERRED FUNCTIONS:

1. To consider external audit reports which have significant financial and policy implications for the Borough and to advise the Cabinet as appropriate.
2. To oversee the production of the Council's Annual Governance Statement and to recommend its adoption to the General Assembly of the Council.