

Governance Panel Core Functions

The Governance Panel will:

- I. Consider the effectiveness of the authority's risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements
- II. Seek assurances that action is being taken on risk-related issues identified by auditors and inspectors
- III. Be satisfied that the authority's assurance statements, including the Statement on Internal Control, properly reflect the risk environment and any actions required to improve it
- IV. Approve (but not direct) internal audit's strategy, plan and monitor performance
- V. Review summary internal audit reports and the main issues arising, and seek assurance that action has been taken where necessary
- VI. Receive the annual report from the head of internal audit
- VII. Consider the reports of external audit and inspection agencies
- VIII. Ensure that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies, and that the value of the audit process is actively promoted.
- IX. Review the financial statements, external auditor's opinion and reports to Members, and monitor management action in response to the issues raised by external audit.

Governance Panel Terms of Reference

a) Audit Activity

- I. To consider the head of internal audit's annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the Council's corporate governance arrangements
- II. To consider summaries of specific internal audit reports as requested
- III. To consider reports dealing with management and performance of the providers of internal audit services
- IV. To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale
- V. To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance
- VI. To consider specific reports as agreed with the external auditor
- VII. To comment on the scope and depth of external audit work and to ensure it gives value for money
- VIII. To liaise with the Audit Commission over the appointment of the Council's external auditor
- IX. To commission work from the internal and external audit

b) Regulatory Framework

- I. To maintain an overview of the Council's Constitution in respect of contract procedure rules, financial regulations and codes of conduct and behaviour and recommend any changes to the General Purposes Committee
- II. To review any issues referred to it by the Chief Executive or a Director, or any Council body
- III. To monitor the effective development and operation of risk management and corporate governance in the Council
- IV. To monitor Council policies on 'Raising Concerns at Work' and the anti-fraud and anti-corruption strategy and the Council's complaints process

- V. To oversee the production of the authority's Statement on Internal Control and to recommend its adoption.
- VI. To consider the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice
- VII. To consider the Council's compliance with its own and other published standards and controls

c) Accounts

- I. To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council
- II. To consider the external auditor's report to those charged with governance on issues arising from the accounts

- Independent review of Internal Audit **Activity** **Audit**
- Annual Audit and Inspection Letter: HBC **Activity** **Audit**
- Statement On Internal Control 2006/2007 - Section 5 monitoring **Regulatory Framework**
- Risk management Update **Regulatory Framework**
- Corporate Governance Update **Regulatory Framework**
- Assessment of Panel's Effectiveness (to inform Annual Report) **Panel's own work to inform Annual Report**
 - Independent review of Internal Audit will inform the effectiveness in terms of Internal Audit issues

Meeting 4 1 April 2008

- Governance Panel Annual Report 2007/2008 **own work** **Panel's**
- Statement on Corporate Governance 2007/2008 **Regulatory Framework**
- Annual Efficiency Statement – Forward Look 2008/2009 **Regulatory Framework**
- Audit and Inspection Plan Harrogate Borough Council **Activity** **Audit**

Corporate Performance Panel

Draft Work Programme 2007/2008

Meeting 1 30 July 2007

- Quarter 1 Performance
- Year end Performance 2006/07
- 2006/07 Corporate Action Plan Year End Performance
- Medium Term Financial Strategy
- Corporate and Service reviews

Meeting 2 12 November 2007

- Quarter 2 Performance

Meeting 3 28 January 2008

- Quarter 3 Performance

Meeting 4 21 April 2008

- Annual Audit and Inspection Letter
- Comparative Performance on National BVPIs