

# CHESHIRE EAST COUNCIL

## Audit and Governance Committee

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**Date of Meeting:** 27<sup>th</sup> March 2012  
**Report of:** Director of Finance and Business Services  
**Title:** Audit Committee Self-Assessment  
**Portfolio Holder:** Councillor Michael Jones, Resources

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### 1.0 Report Summary

- 1.0 The purpose of this report is to facilitate compliance with the Accounts and Audit Regulations 2011 and, consequently, it advises Members on the results of a self assessment of the effectiveness of the Audit and Governance Committee using the CIPFA publication '*Audit Committees – Practical Guidance for Local Authorities (Appendix A)*'.

### 2.0 Recommendations

- 2.1 That the Committee
- (1) consider the self-assessment and determine any required amendments; and
  - (2) note that the detailed outcome of the review of the system of Internal Audit will be considered by the Committee as part of the Annual Governance Statement (AGS) approval process.

### 3.0 Reasons for Recommendations

- 3.1 Regulation 6 of the Accounts and Audit Regulations 2011 requires the authority to conduct an annual review of the effectiveness of its system of internal audit.
- 3.2 The effectiveness of the system of internal audit should include the effectiveness of the audit committee itself (to the extent that its work relates to internal audit), as well as the performance of the internal audit provider.

### 4.0 Wards Affected

- 4.1 All wards.

### 5.0 Local Wards Affected

- 5.1 Not applicable.

## **6.0 Policy Implications**

6.1 Not applicable.

## **7.0 Financial Implications (Authorised by the Director of Finance and Business Services)**

7.1 No specific financial implications.

## **8.0 Legal Implications**

8.1 As detailed in the report.

## **9.0 Risk Assessment**

9.1 Failure to review and report on the Committee's effectiveness could result in improvement opportunities being missed and in non compliance with the Accounts and Audit Regulations 2011.

## **10.0 Background and Options**

10.1 The process for conducting the review of the effectiveness of the Council's system of internal audit, which was agreed with the Audit and Governance Committee in January 2012 includes a self -assessment against the following relevant internal audit standards:

- the Code of Practice for Internal Audit in Local Government in the United Kingdom 2006
- Audit Committees – Practical Guidance for Local Authorities CIPFA

10.2 As with the AGS, the completion of the review of the system of internal audit will be carried out by the Corporate Governance Group with input from the Director of Finance and Business Services. The detailed results of the overall review will then be reported to this Committee for consideration as part of the AGS process. Prior to this it is important that Members are satisfied that the self- assessment of the Committee's effectiveness has been completed correctly.

## **11.0 Access to Information**

The background papers relating to this report can be inspected by contacting the report writer:

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