

Self-assessment Checklist – Measuring the Effectiveness of the Audit Committee

Terms of Reference				
Have the committee's terms of reference been approved by full council?	✓			Approved as part of Constitution. Terms of Reference updated in 2011/12 to include requirement to submit an annual report to full Council.
Do the terms of reference follow the CIPFA model?	✓			Based on <i>Audit Committees – Practical Guidance for Local Authorities</i> , CIPFA 2005.
Internal Audit Process				
Does the committee approve the strategic audit approach and the annual programme?	✓			Internal Audit Strategy approved in Sept 2009, with update in Nov 2010. Update planned in 2012/13. Audit plans approved annually – 2011/12 Plan approved in March 2011.
Is the work of internal audit reviewed regularly?	✓			Annual Internal Audit Opinion report received in June 2011. Interim reports received in Sept 2011 and Jan 2012.
Are summaries of quality questionnaires from managers reviewed?	✓			Results of questionnaires reported in interim reports for 2011/12 and will be reported in annual report.
Is the annual report, from the head of audit, presented to the committee?	✓			Annually to support production of the Annual Governance Statement (AGS). Last reported in June 2011.
External Audit Process				
Are reports on the work of external audit and other inspection agencies presented to the committee?			✓	External Audit reports: June 2011 – Progress Report, Sept 2011 – Annual Governance Report 10-11, Jan 2012 – Annual Audit Letter 10-11/Audit Plan 11-12. Reports of other inspection agencies e.g. OFSTED are not presented to the Committee.
Does the committee input into the external audit programme?			✓	The Committee received and commented on the external auditor's 2011/12 plan in January 2012, although there was no prior specific discussion on the content. The plan set out the audit work in respect of the audit of financial statements and the value for money conclusion 2011/12.

Self-assessment Checklist – Measuring the Effectiveness of the Audit Committee

Does the committee ensure that officers are acting on and monitoring action taken to implement recommendations?	✓			E.g. Progress on implementing the Final Accounts Action Plan was reported to the Committee in Jan 2012, and is discussed at the appropriate specialist Member/Officer Group.
Does the committee take a role in overseeing: <ul style="list-style-type: none"> • Risk management strategies • Annual Governance Statement • Anti-fraud arrangements • Whistle-blowing strategies? 	✓ ✓ ✓ ✓			Review of Policy in June 2011. Update reports at each meeting. Approved 10/11 AGS in Sept 2011, Process for 11/12 AGS and update on 10/11 AGS action plan in Jan 2012. Review of Strategy reported Jan 2011. Update planned in 2012/13. Review of Policy in June 2011.
Membership				
Has the membership of the committee been formally agreed and a quorum set?	✓			
Is the chair free of executive or scrutiny functions?	✓			
Are members sufficiently independent of the other key committees of the council?	✓			The Chair and Vice Chair are free of executive and scrutiny responsibilities. There are two Scrutiny Chairs on the Committee.
Have all members' skills and experiences been assessed and training given for identified gaps?	✓			The Committee considered training requirements against the Better Governance Forum recommendations in Sept 2010 and training requirements are considered at each subsequent Committee as part of the Work Programme/Plan. Induction sessions have been delivered in June 2010 and Sept 2011 covering core functions re Internal & External Audit, Risk & Governance and Financial Statements, and a

Self-assessment Checklist – Measuring the Effectiveness of the Audit Committee

				series of training sessions have been delivered around the IFRS, AGS, Risk and Customer Complaints. In Sept 11, it was agreed by the Committee that individual Members would become more involved in specific areas of audit and governance work as a means of developing in-depth knowledge and expertise and subsequently five Member/Officer Groups have been set up and had their first meetings in Jan 2012.
Can the committee access other committees as necessary?	✓			Best practice states that the Audit Committee should report direct to the governing body i.e. full Council. For 2011/12, the Audit & Governance Committee is due to produce an annual report to go to full Council.
Meetings				
Does the committee meet regularly?	✓			
Are separate, private meetings held with the external auditor and the internal auditor?	✓			External Audit: a meeting with the Chair and Vice Chair is scheduled in March 2012. Internal Audit: There are a combination of Member/Officer Group meetings and pre-Committee briefings.
Are meetings free and open without political influences being displayed?	✓			
Are decisions reached promptly?	✓			Any deviations from the Work Programme are discussed and agreed at each Committee.
Are agenda papers circulated in advance of meetings to allow adequate preparation by members?	✓			There has been a conscious effort to make Committee reports more concise in 2011/12 to aid preparation. A review of the Work Programme is planned to ensure appropriate frequency of updates.
Does the committee have the benefit of attendance of appropriate officers at its meetings?	✓			The introduction of the Internal Audit Reporting Protocol and associated follow up procedure will enable appropriate managers to be invited to Committee to report back on e.g.

Self-assessment Checklist – Measuring the Effectiveness of the Audit Committee

				implementation of recommendations.
Training				
Is induction training provided to members?	✓			See response regarding the assessment of members' skills and experiences.
Is more advanced training available as required?	✓			As above.
Administration				
Does the authority's s151 officer or deputy attend all meetings?	✓			S151 Officer or deputy has attended all 2011/12 meetings.
Are the key officers available to support the committee?	✓			Key officers i.e. Internal Audit, Finance, Legal, Democratic Services, External Audit attend all meetings. Other officers will attend as and when appropriate to present specific reports.