

Assessment of the Remit and Effectiveness of the Audit and Governance Committee

Requirement	Yes	No	Evidence / Comment	Proposed Improvement (Actions)
Terms of Reference				
1. Have the committee's Terms of Reference been approved by full council?	X		Cabinet 12 th April 2006 Council 17 th May 2006 Amended 2009 to include Treasury Management	
2. Do the Terms of Reference follow the CIPFA model?	X		<p>Current Terms of Reference</p> <p>In relation to the Audit and Governance Committee meeting privately with the head of internal audit and external auditor, the head of internal audit can currently meet privately with the Committee Chair if necessary. It was considered that these arrangements could be enhanced by providing the opportunity for the members of the Audit and Governance Committee to meet privately with the internal and external auditors to discuss any issues which may be appropriate.</p> <p>It was also suggested that a review of the remit and effectiveness of the Committee, including the Terms of Reference, be conducted on a regular basis.</p>	<ol style="list-style-type: none"> The Terms of Reference to be updated for the opportunity for the head of internal audit and external auditor to meet privately with the Audit and Governance Committee periodically. An informal meeting to take place at the end of a committee meeting each year with the head of internal audit and external auditor but no other officers of the Council. The Terms of Reference to be updated with the requirement for an assessment to be undertaken of the remit and effectiveness of the Committee every three years.
Internal Audit process				
3. Does the committee approve the internal audit strategy and operational annual plan?	X		Meetings in March each year.	

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4. Does the committee input into the internal audit operational annual plan?		X	The Operational Internal Audit Plan is presented to the March Committee for approval.	4. The Committee to be consulted by the head of internal audit at an early stage in relation to the key issues to be considered as part of preparing the following years Audit Plan.
5. Is the work of Internal Audit reviewed regularly?	X		Interim progress and annual reports are presented.	
6. Are summaries of quality questionnaires from managers reviewed?	X		A summary of the scores from Post Audit Questionnaires is provided in the Interim Progress Report and Annual Report. Results of benchmarking and surveys are also reported.	
7. Is the annual report, from the head of internal audit, presented to the committee?	X		Presented in May/June each year.	
8. Does the committee ensure that officers are acting on and monitoring action taken to implement recommendations?	X		This is one of the Key Performance Indicators for Internal Audit which is scrutinised by the Committee.	
9. Does the committee take a role in overseeing: <ul style="list-style-type: none"> • Risk management strategies • Internal control statements • Anti-fraud, corruption and whistle blowing policies 	X		Included within the Terms of Reference. Reports are considered in these areas. Anti-fraud, corruption and whistle blowing policies are reviewed annually.	5. Updates to Anti-Fraud and Whistle Blowing policies to be presented to the Committee in future
External Audit Process				
10. Are reports on the work of external audit and other inspection agencies presented to the committee?	X		Schedule of previous reports which have been considered by the Committee confirm this to be the case.	

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11. Does the committee input into the external audit programme?		X		6. The Committee to be consulted by the Audit Commission at the same time as Internal Audit (refer to action 4. above).
Membership				
12. Has the membership of the committee been formally agreed and a quorum set?	X		Included within the Terms of Reference.	
13. Is the chair free of executive or scrutiny functions?	X		Co-opted.	
14. Are members sufficiently independent of the other key committees of the council?	X		Only one Cabinet Member on Committee – this maintains a link to the Executive but safeguards the Committee's independence.	
15. Have all members' skills and experiences been assessed and training given for identified gaps?		X	Members use their collective experiences and understanding to fulfil the Committee's role. However, it was considered that additional briefings would be beneficial on topical issues that are relevant to the Council which are not routinely reported to the Committee.	7. Additional briefings to be arranged to cover topical issues (to be agreed at the next meeting). 8. Members to be asked at the first meeting of each year if they require any further training / refresher sessions to be arranged.
16. Can the committee access other committees as necessary?	X		Included within the Terms of Reference.	
Meetings				
17. Does the committee meet regularly?	X		4 or 5 times per year.	

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18. Are separate, private meetings held with the external auditor and internal auditor?		X	See requirement 2. Although it was considered that frank and open discussions can and do take place during the committee meetings, provision is to be made for a private meeting to be held between the internal and external auditors and members of the Committee.	See action 2. above.
19. Are meetings free and open without political influences being displayed?	X		It was considered that open discussions take place without political influences being displayed.	
20. Are decisions reached promptly?	X		Minutes of meetings.	
21. Are agenda papers circulated in advance of meetings to allow adequate preparation by members?	X		Deadlines are in place.	
22. Does the committee have the benefit of attendance of appropriate officers at its meetings?	X		Finance / audit / legal officers always attend plus those from service areas are made available where appropriate.	
23. Do reports provide an appropriate level of detail to enable a level of challenge leading to sound decision making?	X		Although the information included within reports is comprehensive to allow decision making it was considered that there is too much detail included within the main body of the reports. There is also an element of duplication between some of the reports. It was considered that the reports could be more focused with supporting information being supplied in appendices.	9. Officers should consider the format and content of the reports presented to the Committee with the view of making them more focussed and reducing duplication. 10. A forward plan of reports to be presented to the next meeting for consideration.
Training				
24. Is induction training provided to members?	X		Sessions have been held.	
25. Is more advanced training available as required?	X		Specific Treasury Management training has been provided.	

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26. Does the training fulfil Member's needs?	X		Members confirmed during the workshop that the training they have received has met their needs.	
Administration				
27. Does the authority's s151 officer (chief financial officer) or deputy attend all meetings?	X		Minutes of meetings.	
28. Are the key officers available to support the committee?	X		Minutes of meetings.	
Impact				
29. Does the audit committee have a positive impact on the control environment within the Council?	X		<p>Examples include:</p> <ul style="list-style-type: none"> • Management of leases • Implementation rates of audit recommendations • Continuing review of ICT disaster recovery • Letters to Schools re FMSiS <p>Attached schedule of previous reports.</p> <p>It was considered that to demonstrate the impact that the Committee has had on the Council's control environment, that an annual report should be presented to Cabinet.</p>	11. An annual report should be prepared and presented to Cabinet, to report on the work of the Audit and Governance Committee.

