

AUDIT COMMITTEE

25 June 2014

Subject Heading:

Training Plan for Audit
Committee

Report Author and contact details:

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Policy context:

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To agree a training plan for the members
of the Audit Committee.

Financial summary:

N/A

The subject matter of this report deals with the following Council Objectives

Clean, safe and green borough	X
Excellence in education and learning	X
Opportunities for all through economic, social and cultural activity	X
Value and enhance the life of every individual	X
High customer satisfaction and a stable council tax	X

SUMMARY

This report outlines a planned approach to training for Audit Committee members in 2014/2015 and the basis on which the training is being provided.

Members and Substitute members can request training at any time and a needs analysis will be completed and used to guide the focus of training.

RECOMMENDATIONS

1. To comment on the training plan within the report.

2. To approve the training plan, subject to any comments made.
3. To note that there will be an annual review of the training plan.

REPORT DETAIL

1. Below is an outline of the areas relevant to the Audit Committee's Terms of Reference:
 - Annual Accounts including International Financial Reporting Standards;
 - Treasury Management;
 - The role of the Audit Committee in Local Government;
 - The role of Internal and External Auditors
 - Risk Management and Internal Control;
 - Corporate Governance including the Annual Governance Statement;
 - Internal Fraud and Corruption risks including Bribery Act and Money Laundering;
 - External Fraud risks; and
 - Confidential Reporting (Whistle Blowing).
2. An extract from the constitution regarding training and membership is included below:

Part 4 – Committee Procedure Rules paragraph 17 Training and continuity of membership of certain committees

(a) In the interests of business continuity, each Group and Group Leader shall ensure that any Member appointed to a place allocated to that Group on each of the Committees referred to in the following table shall have received, or shall within six months of appointment receive, training appropriate to its membership. If a member does not undertake the required training within six months of appointment then that member shall not partake in the decision making of the Committee until their training has been completed.

(b) Each Group and Group Leaders shall strive to avoid making changes to their representation on the Committees referred to in the table for as long as possible and shall accordingly seek to ensure that their members remain on the particular committee for the period indicated:

Committee	Period
Adjudication and Review	At least two years
Audit	Full four year term
Licensing	At least two years
Pensions	Full four year term
Regulatory Services	At least two years

(c) For the Audit, Pensions, Regulatory Services and Adjudication and Review Committees, Groups shall nominate members other than those appointed to the respective Committees to be “designated substitutes”, to attend a meeting in the event that an appointed member is unable to do so. “Designated substitutes” shall participate in the same training opportunities as appointed members. Non nominated members may not act as substitutes.

(d) This rule shall operate without prejudice to the ability of the Council and the Adjudication and Review Committee to require changes in membership where to do so is appropriate for other reasons, or to comply with statutory requirements.

3. A skills analysis will be completed by all members and nominated substitutes to identify any specific training needs. Members and substitute members can request at any time a briefing on an agenda item.
4. The most appropriate method of delivery will be selected based on the development or learning need. This is likely to be officer briefings (verbal or written), e learning or training with external specialists. The Committee will also receive ad-hoc briefings from the Internal Audit & Corporate Risk Manager on new topics relevant to the Committees role.
5. Substitute Members will be invited to attend all training and in some circumstances (after year 1) the training may be offered to all Members.
6. The constitution requires that all training be completed within six months of joining the Committee. In the first year all but the Risk training would be completed within six months and to compensate for this a briefing will be sent prior to the September Audit Committee.
7. Regular reports on training will be presented and details will be included in the Annual Report of the Committee.
8. The table below outlines the areas of training required by the Committee Members and the proposed frequency, timing and method of delivery.

Frequency	Contents	Method of Delivery	Timing
Once during term	Role of Audit Committee Role of Internal Audit Role of External Audit	One to one or Group session	On joining Committee
Once during term	Corporate Governance	Group session (Yr 1 & 3)	June
Annual	Accounts and IFRS	Group session or one to one (Yrs 1) Drop in sessions (Yrs 2,3 & 4)	September
Annual	Treasury	Group session	September
Annual	Fraud & Corruption <ul style="list-style-type: none">• Bribery• Money Laundering• Whistle blowing Housing Fraud Housing Benefit Fraud	Group session	December
Annual	Risk Management & Internal Control	Group session (Yrs 1&3) E Learning or off-line briefing (Yrs 2&4)	February

IMPLICATIONS AND RISKS

Financial implications and risks:

None directly arising from this report, as most training is provided by officers and therefore does not incur a cost other than resources. Where external training is required this will be funded from current budgets. The existence of an effective Audit Committee is fundamental in ensuring the Council maintains a robust system of internal control. Failure of the Audit Committee to undertake its duties in an effective manner may result in issues that arise not being addressed. Internal

costs may be incurred should insufficient members or substitute members be available for a meeting as other members are not permitted to substitute and vote the risk of this occurring is increased.

Legal implications and risks:

None arising directly from this report.

Human Resources implications and risks:

None arising directly from this report.

Equalities implications and risks:

None arising directly from this report.

BACKGROUND PAPERS

Audit Committee Forward Plan
Constitution