



AUDIT COMMITTEE

29 February 2012

Subject Heading:

Annual Review of Audit Committee Effectiveness

Report Author and contact details:

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Policy context:

To inform the Committee of the results of the Annual Review of Audit Committee Effectiveness.

Financial summary:

There is no specific financial impact to be considered from this report.

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

Best practice guidance suggests the effectiveness of the Audit Committee is considered on an annual basis. In 2011 a full review against best practice guidance issued by the Chartered Institute of Public Finance & Accountancy (CIPFA) was completed and an improvement plan drawn up.

This years review has considered changes in the committee and this report updates the Committee on the actions taken since the last review.

RECOMMENDATIONS

1. To note the contents of the report.

REPORT DETAIL

A self assessment checklist has been produced by CIPFA as part of the Toolkit for Local Authority Audit Committees. In 2011 the Committee Chair, with assistance from the Interim Internal Audit and Corporate Risk Manager, undertook the full self assessment seeking comments from the members of the Committee as part of the process. The self assessment covers 10 different areas of Committee responsibility, administration and activity.

As a result of the self assessment four areas were highlighted for improvement. These were included in an improvement plan which was agreed by Audit Committee on 1 March 2011.

To inform this year's review a meeting was held with the Chair of the Audit Committee to review changes which may affect the self assessment and progress with the improvement plan.

The membership of the Committee is generally stable; one new member has recently joined the Committee so one to one support will be provided to ensure they feel fully informed and able to fulfil their role. The programme of briefings on relevant topics have continued and are timetabled going forward.

Progress against the improvement plan is reported in Appendix A.

IMPLICATIONS AND RISKS

Financial implications and risks:

None directly arising from this report, however 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.

Legal implications and risks:

There are no legal implications from noting the contents of this Report.

Human Resources implications and risks:

There are no HR implications from noting the contents of this Report.

Equalities implications and risks:

There are no Equalities implications from noting the contents of this Report.

Audit Committee, 29 February 2012

BACKGROUND PAPERS

Audit Committee Handbook, HM Treasury, 2007

CIPFA Toolkit for Local Authority Audit Committees, 2006.