

AUDIT COMMITTEE

SELF ASSESSMENT CHECKLIST

ISSUE	YES	NO	N/A	COMMENT
Terms of Reference				
Have the Committee's terms of reference been approved by Full Council?	✓			Terms of reference for Audit Committee were agreed by Council on 16 th September 2005. They are reviewed and updated annually by Audit Committee.
Do the terms of reference follow the CIPFA model?	✓			The Terms of Reference were set up in line with the CIPFA model.
Internal Audit Process				
Does the Committee approve the strategic audit approach and the annual programme?	✓			Audit Committee have received for comment and approval the 2009/13 strategic audit plan. They also receive for comment the annual Internal Audit plan.
Is the work of internal audit reviewed regularly?	✓			Regular reports of progress against the Internal Audit Plan are reported to Audit Committee by the Head of Audit Services. A triennial review of Internal Audit is carried out by the Audit Commission, their findings were reported to the Audit Committee on 29 th November 2007 and an action plan was put in place to address the small number of issues raised. There is also an annual review of the effectiveness of the system of Internal Audit carried out by the Section 151 Officer for the Audit Committee to review its findings. The last review of the effectiveness of the system of Internal Audit was presented to Audit Committee at the 20 th May 2009 meeting.

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Internal Audit Process				
Are summaries of quality questionnaires from managers reviewed?	✓			An analysis of the customer feedback survey forms is provided to Audit Committee as part of the report on the review of the effectiveness of the system of Internal Audit.
Is the annual report, from the Head of Audit, presented to the Committee?	✓			Annual report by Head of Audit Services last presented at the Audit Committee on 20 th May 2009
External Audit Process				
Are reports on the work of external audit and other inspection agencies presented to the Committee?	✓			Progress reports on the work of external audit are received by Audit Committee. Other inspection agencies reports are reported to Cabinet and appropriate scrutiny committee, but would be received by Audit Committee if appropriate.
Does the Committee input into the external audit programme?		✓		The external audit programme is presented to Audit Committee for information and comment. The Audit Committee does have the opportunity to suggest areas that they consider could be reviewed.
Does the Committee ensure that officers are acting on and monitoring action taken to implement recommendations?	✓			Within Internal Audit there is a mechanism for monitoring action taken in respect of audit recommendations made. Audit Committee are provided with assurance by the Head of Audit Services that actions have been agreed with managers to the recommendations made following an audit and that managers confirm to Internal Audit after six months progress against planned actions. In addition,

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External Audit Process				<p>recommendations made at an audit will be followed up on the next audit visit.</p> <p>Internal Audit recommendations are noted as follows:</p> <p>Fundamental – immediate action required to address major control weakness that, if not addressed, could lead to material loss</p> <p>Significant – a recommendation to address a significant control weakness where the system may be working but errors may go undetected.</p> <p>Requires Attention – a recommendation aimed at improving the existing control environment or improving efficiency.</p> <p>Best Practice – suggested action which aims to improve best value, quality, efficiency or value for money.</p> <p>It is also planned that a report in respect of all fundamental recommendations made as a result of internal audit work and what actions have been taken, will be provided to Audit Committee periodically. This will allow Audit Committee to assure themselves that managers are taking action to address the audit recommendations made.</p>

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External Audit Process				
Does the Committee take a role in overseeing:				
• risk management strategies	✓			Whilst the Risk Management strategy is approved by Council the Audit Committee receives an annual report of the audit of the effectiveness of the Council's Risk Management arrangements.
• internal control statements	✓			Audit Committee receive the Annual Governance Statement annually for comment.
• anti-fraud arrangements	✓			The Audit Committee review annually the Counter Fraud and Anti-Corruption Strategy, and receive verbal updates on all fraud investigation work at each Audit Committee meeting. A separate NFI report is also presented to the Audit Committee.
• whistle-blowing strategies?		✓		Whistle Blowing Strategy and annual Whistle Blowing reports are considered by the Standards Committee.
Membership				
Has the membership of the Committee been formally agreed and a quorum set?	✓			Yes – see Audit Committee Terms of Reference which have been approved by Full Council.
Is the Chair free of executive or scrutiny functions?	✓			The Chair of Audit Committee is free of executive functions but the Terms of Reference for Audit Committee Members allows them to serve on Scrutiny Panels but not as a Chair.
Are Members sufficiently independent of the other key Committees of the Council?	✓			In the main yes, all members have positions on other committees but none in the capacity of chair.

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Membership				
Have all Members' skills and experiences been assessed and training given for identified gaps?	✓			A detailed training programme is agreed by Members each year. In addition, further training or information will be provided where felt appropriate or requested by Members. When Members recently raised issues around the Council's Treasury Management arrangements following the Northern Rock problems they were provided with a training session by the Director of Resources on the Council's Treasury Management arrangements and how action is taken to protect the Council and minimise risk exposure. A further update of this training is being provided.
Can the Committee access other committees as necessary?	✓			The Audit Committee can access other committees as necessary and appropriate.
Meetings				
Does the Committee meet regularly?	✓			At least four times a year plus training sessions.
Are separate, private meetings held with the external auditor and the internal auditor?		✓		This issue has been discussed by Committee and private meetings with internal and external audit do not happen as a matter of course but if such meetings were required they could be arranged. In reality, the Chair of the Audit Committee or any member can meet with the Director of Resources or the Head of Audit Services at any time.
Are meetings free and open without political influences being displayed?	✓			Yes – thorough discussion of items takes place without political influences being displayed.
Are decisions reached promptly?	✓			Decisions are reached promptly at each meeting.

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Meetings				
Are agenda papers circulated in advance of meetings to allow adequate preparation by members?	✓			All papers are circulated well in advance and public papers are also available on the internet.
Does the Committee have the benefit of attendance of appropriate officers at its meetings?	✓			The Director of Resources and the Head of Audit Services attend every meeting. Other officers will attend as required. The Audit Commission Manager also attends most of the Committee meetings.
Training				
Is induction training provided to members?	✓			Yes a detailed training plan is in place and a wide range of training is provided to members.
Is more advanced training available as required?	✓			Yes other more detailed training is provided as required.
Administration				
Does the authority Section 151 Officer or Deputy attend all meetings?	✓			Both the Director of Resources and Head of Audit Services attend every meeting.
Are the key officers available to support the Committee?	✓			Yes – key officers are available to support the Committee.