

## Appendix 2: Audit Committee Self-Assessment 2018/19

	Good Practice Requirement	Y/N/P	Comments	Action Required
<b>Audit Committee Purpose and Governance</b>				
1	Does the Council have a dedicated Audit Committee?	Yes	None	None
2	Does the Audit Committee report directly to the Council?	Yes	This is set out in the Council's Constitution and the Audit Committee's Terms of Reference.  Minutes of Audit Committee meetings get reported at the subsequent Council meeting.	None
3	Do the Terms of Reference clearly set out the purpose of the committee in accordance with CIPFA's Position of Statement?	Yes	The Audit Committee's Terms of Reference are set out in the Constitution.	None
4	Is the role and purpose of the Audit Committee understood and accepted across the Council?	Partly	In recent years, training relevant to the role and function of the Audit Committee has been restricted to committee members rather than all councillors.  Historically, very few directors or group managers attend the Audit Committee other than those whose functions directly support its work. There is no standard officer briefing or training on this. Therefore, it is possible understanding at these levels is less consistent.	Invite other members to the Audit Committee training that is provided each year.  Produce an Audit Committee Annual Report outlining its work for Full Council (see also 6 below).
5	Does the Audit Committee provide support to the Council in meeting the requirements of good governance?	Yes	The Audit Committee reviews the Annual Governance Statement and the Statement of Accounts, to ensure they reflect the requirements of good governance.	None

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6	Are the arrangements to hold the Audit Committee to account for its performance operating satisfactorily?	Partly	<p>The Audit Committee has not produced an Annual Report to Council for some time.</p> <p>This could involve members undertaking an assessment of compliance with good practice guidance and also include:</p> <ul style="list-style-type: none"> <li>• an annual review of its terms of reference</li> <li>• proposed work plan for the following year</li> <li>• summary of the evidence considered throughout the year</li> <li>• a conclusion on whether they had received sufficient assurance to approve the Annual Governance Statement.</li> </ul> <p>The Annual Report could then be presented to Council by the Chair of the Audit Committee.</p>	Produce an Audit Committee Annual Report for Full Council covering the items included within the comments.

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<b>Functions of the Audit Committee</b>				
7	Do the Audit Committee's terms of reference explicitly address all the core areas identified in CIPFA's Position Statement?	Yes	<p>The purpose of the Audit Committee, set out in its Terms of Reference, is consistent with the good practice guidance.</p> <p>The core areas identified in CIPFA's position statement are all reflected in the Terms of Reference.</p>	None
	<ul style="list-style-type: none"> <li>• good governance</li> </ul>	Yes		
	<ul style="list-style-type: none"> <li>• assurance framework</li> </ul>	Yes		
	<ul style="list-style-type: none"> <li>• internal audit</li> </ul>	Yes		
	<ul style="list-style-type: none"> <li>• external audit</li> </ul>	Yes		
	<ul style="list-style-type: none"> <li>• financial reporting</li> </ul>	Yes		
	<ul style="list-style-type: none"> <li>• risk management</li> </ul>	Yes		
	<ul style="list-style-type: none"> <li>• value for money or best value</li> </ul>	Yes		
	<ul style="list-style-type: none"> <li>• counter fraud and corruption.</li> </ul>	Yes		
8	Is an annual evaluation undertaken to assess whether the Audit Committee is fulfilling its Terms of Reference and that adequate consideration has been given to all core areas?	Partly	This has not been done for some time and could be addressed as part of the Audit Committee Annual Report.	Produce an Audit Committee Annual Report for Full Council covering the items included within the requirements.

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9	Has the Audit Committee considered the wider areas identified in CIPFA's Position Statement and whether it would be appropriate for the committee to undertake them?	Partly	The Audit Committee has retained the role of scrutinising the treasury management function.  This has not been done for some time and could be addressed as part of the Audit Committee Annual Report.	Produce an Audit Committee Annual Report for Full Council covering the items included within the requirements.
10	Where coverage of core areas has been found to be limited, are plans in place to address this?	Partly	This has not been done for some time and could be addressed as part of the Audit Committee Annual Report.	Produce an Audit Committee Annual Report for Full Council covering the items included within the requirements.
11	Has the Audit Committee maintained its non-advisory role by not taking on any decision-making powers that are not in line with its core purpose?	Yes	In accordance with the Terms of Reference.	None

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<b>Membership and Support</b>				
12	Has an effective Audit Committee structure and composition of the committee been selected?  This should include:			
	<ul style="list-style-type: none"> <li>• separation from the executive</li> </ul>	Yes	All Audit Committee members are Councillors or independent members.	None
	<ul style="list-style-type: none"> <li>• an appropriate mix of knowledge and skills among the membership</li> </ul>	Yes	However a membership skill assessment has not been completed, so it is not clear what their skill set is.	Undertake a skills assessment of Audit Committee members.
	<ul style="list-style-type: none"> <li>• size of committee that is not unwieldy</li> </ul>	Yes	The size of the Audit Committee is determined by proportional representation.	None
	<ul style="list-style-type: none"> <li>• consideration has been given to the inclusion of at least one independent member.</li> </ul>	Yes	One independent member sits on the Committee.	None
13	Have independent members appointed to the committee been recruited in an open and transparent way and approved by the full council?	Yes	The post was advertised and interviews were held with the Chairman and Vice Chairman at the time of the appointment.	
14	Does the chair of the Audit Committee have appropriate knowledge and skills?	Yes	The chair has been replaced this year, however the new chair has been the Audit Committee chair in previous years, so is familiar with the relevant guidance and has attended training sessions on the Audit Committee's role.	None

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15	Are arrangements in place to support the Audit Committee with briefings and training?	Yes	Relevant information items are circulated to members with the meeting agenda's whenever they become available (e.g. CIPFA Audit Committee briefings).  Training is provided on an annual basis and when requested, but needs are not formally assessed for discussed.	Discuss with the new Chair whether additional support, briefings and training is required.
16	Has the membership of the Audit Committee been assessed against the core knowledge and skills framework and found to be satisfactory?	No	A membership skill assessment has not been completed, so it is not clear what their skill set is.	Undertake a skills assessment of Audit Committee members.
17	Does the committee have good working relations with key people and organisations, including external audit, internal audit and the chief financial officer?	Yes	Key people that deal with the Audit Committee are positive about it.  No adverse feedback received to date.	None
18	Is adequate secretariat and administrative support to the Audit Committee provided?	Yes	Agenda's, meeting papers and minutes are circulated in appropriate timescales.  No adverse feedback received to date.	None
<b>Effectiveness of the Committee</b>				
19	Has the Audit Committee obtained feedback on its performance from those interacting with it or relying on its work?	No	This has not been done for some time and could be addressed as part of the Audit Committee Annual Report.	Produce an Audit Committee Annual Report for Full Council covering the items included within the requirements.

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20	Are meetings effective with a good level of discussion and engagement from all the members?	Yes	Feedback from members and other interacting with the Committee indicate that this is the case.	None
21	Does the committee engage with a wide range of leaders and managers, including discussion of audit findings, risks and action plans with the responsible officers?	Yes	Officers are called into meetings occasionally when the Audit Committee wishes to find out more about something.	Consider whether further officers should be requested to attend the Audit Committee on an as required basis.
22	Does the committee make recommendations for the improvement of governance, risk and control and are these acted on?	Yes	This has not been done for some time and could be addressed as part of the Audit Committee Annual Report.	Produce an Audit Committee Annual Report for Full Council covering the items included within the requirements.
23	Has the Audit Committee evaluated whether and how it is adding value to the organisation?	No	This has not been done for some time and could be addressed as part of the Audit Committee Annual Report.	Produce an Audit Committee Annual Report for Full Council covering the items included within the requirements.
24	Does the committee have an action plan to improve any areas of weakness?	No	This has not been done for some time and could be addressed as part of the Audit Committee Annual Report.	Produce an Audit Committee Annual Report for Full Council covering the items included within the requirements.
25	Does the Audit Committee have an action plan to improve any areas of weakness?	No	Previously, this was part of the annual performance review and reporting process. Progress in implementing any actions was reported to the Audit Committee at its January meeting.	Produce an Audit Committee Annual Report for Full Council covering the items included within the requirements.