Audit & Governance Committee's Effectiveness Task Group – Action Plan

Details of the action(s) taken or proposed are shown for each issue.

Ref	Issue	Action Taken or Proposed	Target Date	Owner
1	The Audit and Governance Committee's existing terms of reference need to be revised in order to comply with CIPFA recommended best practice. Revised terms of reference were considered by the Committee at their meeting on 2 April 2012 but they were not approved.	Revised terms of reference for the Committee will be presented to the meeting on 17 April 2013, prior to submission to Full Council on 18 July 2013 for approval	July 2013	Assistant Director Governance & ICT (Andrew Docherty)
2	The Council has approved the Audit and Governance Committee's terms of reference. However, the terms of reference are not formally reviewed and updated on a regular basis.	The Committee's terms of reference will be reviewed annually. Any changes to be submitted to Full Council for approval.	April 2013 and ongoing.	Assistant Director Governance & ICT (Andrew Docherty)
3	The Audit and Governance Committee could benefit by extending its membership to include co-opted Members with relevant technical expertise and/or a thorough knowledge of corporate governance. This has been a longstanding recommendation of the committee. Some concerns were expressed regarding the need to ensure that Members are free to act independently and that influence is not placed on them	A report will be presented to the Audit and Governance Committee on 17 April 2013 setting out the arrangements for appointing co-opted Members to the Committee. The objective will be to adopt a process which will enable the Committee to appoint up to two independent co-opted Members.	April 2013	Assistant Director Governance & ICT (Andrew Docherty)
		Adverts seeking expressions of interest from potential members of the public will be placed in April with a deadline for	June 2013	Head of Internal Audit (Max Thomas)

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	to adopt a party line. The appointment of independent co-opted Member(s) may help to address this issue.	responses of 30 April 2013. A panel comprising the chair, vice-chair and two officers will then shortlist and interview prospective members and make a recommendation to the Committee. The objective will be to confirm the appointments at the June meeting of the Committee.		
		The requirement for members of the Committee to act independently will be covered at the training event being organised on 18 June 2013. It will also be included in future training provided to the Committee.	June 2013 and ongoing.	Head of Internal Audit (Max Thomas)
4	The role and work of the Audit and Governance Committee is not given sufficient priority and recognition by Full Council. The Audit and Governance Committee should work more closely with the Corporate and Scrutiny Management Committee and the Joint Standards Committee.	The Assistant Director Governance & ICT is investigating whether the current arrangements can be adapted to enable the Committee to coordinate its work more closely with the CSMC and the Joint Standards Committee (for example, by arranging for the Chairs and Vice-Chairs of these committees to meet on a periodic basis).	April 2013	Assistant Director Governance & ICT (Andrew Docherty)
5	Some concerns were expressed as to the committee's responsibilities for ensuring that the council's scrutiny arrangements are working effectively. It was noted that, if the committee identified any weaknesses in this area,	The Assistant Director Governance & ICT will present a report to the April meeting of the Committee explaining the current scrutiny arrangements so as to enable the Committee to properly consider the effectiveness of the	April 2013	Assistant Director Governance & ICT (Andrew Docherty)

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	they should report this in the Annual Governance Statement.	council's arrangements and the overall governance around scrutiny.		
6	It is over a year ago since the Audit and Governance Committee reported on its work and performance to Full Council.	The draft annual report is presented as a separate item on this agenda, prior to submission to Full Council.	April 2013	Chair of the Audit & Governance Committee
7	New Committee members are provided with training but more could be done to ensure that Members have the appropriate skills and knowledge to discharge their responsibilities effectively.	The terms of reference for the Committee (see item 1 above) will include a requirement that induction and annual update training will be compulsory for all members of the Committee (including substitutes).	April 2013	Assistant Director Governance & ICT (Andrew Docherty)
		The training needs assessment has been completed. The results of the survey are shown at annex 2 and will be used to inform the planned training day on 18 June 2013.	Completed	Head of Internal Audit (Max Thomas)
		A training event for audit committee members is being organised for 18 June 2013. The training will take place at West Offices and will cover: • working with internal and external auditors • Public Sector Internal Audit Standards (PSIAS) • corporate governance & Annual Governance Statements • strategic risk management	June 2012	Head of Internal Audit (Max Thomas)

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		• value for money • counter fraud • reviewing the financial statements • treasury management scrutiny • pension fund governance A programme of ongoing training for Members of the Committee will also be prepared.		
8	The Council's S151 officer regularly attends meetings of the Committee. The Committee also receives ongoing support from other officers. The Committee previously had a named officer who provided dedicated support and attended all meetings and Chair's briefings. This provided continuity. However, the post was deleted earlier in 2012 as part of the council's restructure.	The Director of Customer and Business Support is considering how the Audit and Governance Committee should best be supported in the future.	April 2012	The Director of Customer and Business Support (Ian Floyd)
9	The Audit and Governance Committee now considers the draft Annual Governance Statement (AGS) in June. The AGS is then presented again as part of the accounts in July and September. In previous years, there has occasionally been a debate around particular sentences within the AGS. When this has occurred, there has then been insufficient time to consider and	The Committee will be reminded to raise issues with the wording and content of the 2012/13 AGS at the earliest opportunity.	June 2013	The Director of Customer and Business Support (Ian Floyd)

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	make the necessary changes. The Committee therefore recognises that there is a need to raise any issues with the wording and contents of the AGS at an early stage. The new reporting timetable for the annual statement of accounts should reduce the likelihood of these problems occurring in the future.			
10	Risk management reports are presented regularly to the Audit and Governance Committee but they focus on specific service areas and/or projects. Whilst it is acknowledged that the full risk report is e-mailed to Members separately from the agenda papers, it was felt that more could be done to ensure that Members are made aware of the council's strategic risks and the overall risk management arrangements.

The Chair also gave an update on the recommendation by external audit that risk might be approached in a different way. This could include a specific member-led session to identify and review key risks. | The Committee to be given the opportunity to feed into the review of risk management arrangements currently being undertaken by Zurich Municipal. | April 2013 | Head of Financial Procedures (David Walker) |
		A risk identification session will be held with the Committee to enable Members to identify and comment on key corporate risks.	July 2013	Head of Financial Procedures (David Walker)
		Members to be given more information about scoring systems and how the council's risks are identified and evaluated.	July 2013	Head of Financial Procedures (David Walker)
11	The Audit and Governance Committee considers the council's annual statement of accounts. As part of the new reporting arrangements, the accounts are presented to the Committee in July	Officers will undertake a final proof read prior to the final accounts being presented to the Committee in September.	September 2013	The Director of Customer and Business Support (Ian Floyd)

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	for consideration prior to audit. The accounts are then presented again for approval in September. However, Members noted that errors in wording and grammar are not necessarily identified during proof reading prior to the accounts being presented.			
12	CIPFA briefing papers are circulated on an occasional basis. Members would however benefit from more regular technical updates.	Copies of CIPFA and other technical guidance will be circulated to Members of the Audit and Governance Committee on a regular basis.	Ongoing	Head of Internal Audit (Max Thomas)
13	Opportunities currently exist for Members of the Committee to meet with the Head of Internal Audit and the External Auditor in private. However, it would be helpful for a private meeting with both to be scheduled into the Committee's calendar of meetings.	Arrangements will be made to enable the Members of the Committee to meet privately on an 'informal' basis with both the External Auditor and the Head of Internal Audit. Meetings will be held at least annually.	February 2013	Assistant Director Governance & ICT (Andrew Docherty) / Head of Internal Audit (Max Thomas)