

Audit and Governance Committee Effectiveness – Self Assessment

Summary

- 1 The purpose of this report is to seek members' views on the proposed arrangements for undertaking a self assessment exercise of the Committee's own effectiveness.

Background

- 2 At the meeting of this Committee on 5 December 2011, members agreed that the Shared Service Contract Board should undertake the detailed work necessary to review the effectiveness of internal audit for 2011/12. It was also agreed that the chair of the Committee would oversee the process and the results would be reported to the June 2012 meeting. The exercise forms part of the wider review of the effectiveness of the system of internal control required to prepare the council's Annual Governance Statement (AGS).
- 3 As the Audit and Governance Committee forms part of the council's overall system of internal control then it is recommended that the Committee should periodically review its own effectiveness. Members agreed that such a review should be undertaken as part of the 2011/12 review of internal audit effectiveness.
- 4 The Chartered Institute of Public Finance (CIPFA) has issued guidance to local authorities on the formation and operation of audit committees. The guidance is intended to help audit committees fulfil their important role as part of the organisation's overall corporate governance arrangements. The guidance includes a self-assessment checklist for assessing the effectiveness of audit committees.

Options

- 5 A number of options exist to enable the review of the Committee's effectiveness to be completed, including:
 - a) all members of the Committee to be asked to complete a self assessment questionnaire
 - b) the chair and vice-chair to meet with officers to consider the Committee's effectiveness
 - c) the Committee to establish a small working group, comprising two or three members, to undertake the review (with support from officers)
 - d) inviting an external body or person to undertake the review (subject to any cost implications)
- 6 Members' views are therefore sought about the preferred approach to take.
- 7 It is intended that the CIPFA guidance on audit committees will form the basis for the review and for the results will be reported back to the June meeting.

Analysis

- 8 Not relevant for the purpose of the report.

Council Plan

- 9 The Audit and Governance Committee forms an important component of the council's corporate governance framework. As such it supports the overall aims and priorities of the council by promoting probity, integrity and honesty and by helping to make the council a more effective organisation.

Implications

- 10 There are no implications to this report in relation to:
 - **Finance**
 - **Human Resources (HR)**
 - **Equalities**
 - **Legal**

- **Crime and Disorder**
- **Information Technology (IT)**
- **Property**

Risk Management Assessment

- 11 The council may fail to comply with the Accounts and Audit Regulations 2011 if it does not undertake a proper review of the effectiveness of the system of internal control, including a periodic review of the Audit and Governance Committee's effectiveness.

Recommendations

- 12 Members are asked to;
- Consider and agree the arrangements for undertaking the review of the Committee's own effectiveness.

Reason

To ensure that the Audit and Governance Committee remains effective.

Contact Details

Author:

Max Thomas
Audit and Fraud
Manager
Telephone:
01904 552940

Chief Officer Responsible for the report:

Keith Best
Assistant Director, Financial Services
Telephone: 01904 551745

**Report
Approved**



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Specialist Implications Officers

Not applicable

Wards Affected: Not applicable

All



For further information please contact the author of the report

Background Papers

None

Annexes

None