

Audit and Risk Management Committee

Self-Assessment Checklist

ESTABLISHMENT OPERATION AND DUTIES					
Role and Remit					
Priority	Issue	Yes	No	N/a	Supporting Comments
1	Does the audit committee have written Terms of Reference?	X			Confirmed with Legal Services that ARMC Terms of Reference (TOR) are included within any induction for new members of this Committee
1	Do the terms of reference cover the core functions of the audit committee as identified in the CIPFA guidance?	X			
1	Are the terms of reference approved by the council and reviewed periodically?	X			
1	Has the audit committee been provided with sufficient membership, authority and resources to perform its role effectively and independently?	X			Complies with current requirements CIPFA Best Practice Guidance publication 2013.
1	Can the audit committee access other committees and full council as necessary?	X			Referrals and reporting to and from other Committees, Cabinet and Council.
1	Does the authority's statement on internal control include a description of the audit committee's establishment and activities?	X			Statement on Internal Control now subsumed into Annual Governance Statement (AGS). AGS reported regularly to ARMC during year.
2	Does the audit committee periodically assess its own effectiveness?	X			See Annual Report and Self-Assessment reports to ARMC.

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2	Does the audit committee make a formal annual report on its work and performance during the year to full council?	X			See Annual Report to ARMC.
Membership, induction and training					
1	Has the membership of the audit committee been formally agreed and a quorum set?	X			Confirmed with Legal and Member Services.
1	Is the chair independent of the executive function?	X			Confirmed.
1	Has the audit committee chair either previous knowledge of, or received appropriate training on, financial and risks management, accounting concepts and standards, and the regulatory regime?	X			Annual Member training program. Annual CIPFA Better Governance Training (Chair and Deputy). IA to deliver specific training during 2016/17.
1	Are new audit committee members provided with an appropriate induction?	X			Confirmed with Legal and member Services
1	Have all members' skills and experiences been assessed and training given for identified gaps?	X			
1	Has each member declared his or her business interests?	X			
2	Are members sufficiently independent of the other key committees of the council?	X			Legal and Member Services determine in consultation with Leader.
Meetings					
1	Does the audit committee meet regularly?	X			5 times a year - complies with CIPFA Best Practice Guidance.
1	Do the terms of reference set out the frequency of meetings?	X			Yes - see TOR.

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1	Are agenda papers circulated in advance of meetings to allow adequate preparation by audit committee members?	X			Complies with CIPFA best practice - 2 weeks prior to meetings.
1	Does the audit committee calendar meet the authority's business needs, governance needs and the financial calendar?	X			Programme of meetings designed to accommodate key Council reporting requirements eg: financial statements, AGS, Audit Plans.
1	Are members attending meetings on a regular basis and if not, is appropriate action taken?	X			See ARMC Annual report for analysis of attendance.
1	Are meetings free and open without political influences being displayed?	X			See minutes of meetings.
1	Does the authority's S151 officer or deputy attend all meetings?	X			Section 151 attends all meetings.
1	Does the audit committee have the benefit of attendance of appropriate officers at its meetings?	X			Complies with CIPFA best practice, Strategic Director, S151, Monitoring Officer, CIA and other officers as appropriate, see minutes of meetings
INTERNAL CONTROL					
1	Does the audit committee consider the findings of the annual review of the effectiveness of the system of internal control (as required by the Accounts & Audit Regulations) including the review of the effectiveness of the system of internal audit?	X			See Chief Internal Auditors Annual Report 2015/16.
1	Does the committee have responsibility for review and approval of the SIC and does it consider it separately from accounts?	X			See Annual Governance Statement 2015/16.

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1	Does the audit committee consider how meaningful the SIC (AGS) is ?	X			See minutes of meetings where AGS presented (Mar/June/Sept pa).
1	Does the audit committee satisfy itself that the system of internal control has operated effectively throughout the reporting period?	X			See IA Update Reports, EA Update Reports, Risk Registers report to every meeting.
1	Has the audit committee considered how it integrates with other committees that may have responsibility for risk management?	X			ARMC responsible for RM, in addition, departmental and corporate risk registers presented to every meeting identifying actions being undertaken by other committees and bodies.
1	Has the audit committee (with delegated responsibility) or the full council adopted "Managing the Risk of Fraud – Actions to Counter Fraud and Corruption?"	X			See Annual Counter Fraud report to ARMC (Next due..Nov 2016)
1	Is the audit committee made aware of the role of risk management in the preparation of the internal audit plan?	X			See annual Internal Audit Plan report (March every year) – explicitly identified in reports and explained/discussed at meetings. See meeting minutes.
2	Does the audit committee review the authority's strategic risk register at least annually?	X			Corporate Risk Register presented to every meeting.
2	Does the audit committee monitor how the authority assesses its risk?	X			Risk Management report underlining process presented to every meeting and discussed including departmental registers
2	Do the audit committee's terms of reference include oversight of the risk management process?	X			See TOR.

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FINANCIAL REPORTING AND REGULATORY MATTERS					
1	Is the audit committee's role in the consideration and/or approval of the annual accounts clear?	X			See TOR See Statement of Accounts reports. See Annual ARMC Report.
1	Does the audit committee consider specifically: <ul style="list-style-type: none"> the suitability of accounting policies and treatments major judgements made System for large write-offs changes in accounting treatment the reasonableness of accounting estimates the narrative aspects of reporting?	X			See analysis of reports presented to ARMC identified in Annual ARMC Report for breakdown of issues reported covering these categories. Reports on effectiveness of control of write off system included in Audit Plan and outcome of any work presented by IA. Actual write offs managed by other relevant Committee. Accounting – see S151 reports presented.
1	Is an audit committee meeting scheduled to receive the external auditor's report to those charged with governance including a discussion of proposed adjustments to the accounts and other issues arising from audit?	X			External Audit report to every Committee. Scheduled reports covering all key areas including accounts.
1	Does the audit committee review management's letter of representation?	X			Report to Committee pa
2	Does the audit committee annually review the accounting policies of the authority?	X			See annual Section 151 Officer reports.
2	Does the audit committee gain an understanding of management's procedures for preparing the authority's annual accounts?	X			As above. Annual Member training by Sect 151 Officer covers this.
2	Does the audit committee have a mechanism to keep it aware of topical legal and regulatory issues, for example by receiving circulars and through training?	X			Monitoring Officer who attends all ARMC meetings manages this through training/notifications.

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INTERNAL AUDIT					
1	Does the audit committee approve, annually and in details, the internal audit strategic and annual plans including consideration of whether the scope of internal audit work addresses the authority's significant risks?	X			See Strategic and Annual Internal Audit Plan reports (every March).
1	Does internal audit have an appropriate reporting line to the audit committee?	X			See IA reports to every meeting. Monthly meets with Chair/Deputy.
1	Does the audit committee receive periodic reports from the internal audit service including an annual report from the Head of Internal Audit?	X			See Report/Meeting Minutes. See Bi-Monthly ARMC Summary reports emailed directly to members.
1	Are follow-up audits by internal audit monitored by the audit committee and does the committee consider the adequacy of implementation of recommendations?	X			See Appendix to IA Update Reports (O/S Recommendations). See Bi-Monthly reports.
1	Does the audit committee hold periodic private discussions with the Head of Internal Audit?	X			Monthly with Chair/Deputy. Regular conversations between Chair and CIA.
1	Is there appropriate cooperation between the internal and external auditors?	X			Co-ordinated approach, regular scheduled meets, joined up plans of work.
1	Does the audit committee review the adequacy of internal audit staffing and other resources?	X			See IA Plan, Annual CIA and IA Update reports for narrative and performance data relating to delivery of IA Service.
1	Has the audit committee evaluated whether its internal audit service complies with CIPFA's Code of Practice for Internal audit in Local Government in the United Kingdom?	X			See Annual CIA Report for confirmation of this and the new Public Sector Internal Audit Standards. See also separate updates during 2015/16 on new PSIAS Self- Assessment exercise to evaluate compliance.

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2	Are internal audit performance measures monitored by the audit committee?	X			See regular IA Update reports that contain this data.
2	Has the audit committee considered the information it wishes to receive from internal audit?	X			Through regular meetings with Chair and discussions at meetings regarding reporting. See introduction of Bi-Monthly report and subsequent changes to content as examples.
EXTERNAL AUDIT					
1	Do the external auditors present and discuss their audit plans and strategy with the audit committee (recognising the statutory duties of external audit)?	X			See minutes from meetings at which EA present report on this including plans for year.
1	Does the audit committee hold periodic private discussions with the external auditor?	X			Regular meetings with Chair.
1	Does the audit committee review the external auditor's annual report to those charged with governance?	X			See minutes of June meeting at which annual report presented.
1	Does the audit committee ensure that officers are monitoring action taken to implement external audit recommendations?	X			Officers present reports updating Members on this. Included in IA reports.
1	Are reports on the work of external audit and other inspection agencies presented to the committee, including the Audit Commission's annual audit and inspection letter?	X			See minutes of meetings and breakdown of reports presented to ARMC in Annual ARMC report.
1	Does the audit committee assess the performance of external audit?	X			Through Annual Reports of work planned and undertaken...see minutes of meetings.
1	Does the audit committee consider and approve the external audit fee?	X			See annual report (June pa)

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ADMINISTRATION					
Agenda Management					
1	Does the audit committee have a designated secretary from Committee/Member Services?	X			Patrick Sebastien (PS).
1	Are agenda papers circulated in advance of meetings to allow adequate preparation by audit committee members?	X			2 weeks prior to meetings.
2	Are outline agendas planned one year ahead to cover issues on cyclical basis?	X			See breakdown of scheduled reports agreed with Chair June 2016.
2	Are inputs for Any Other Business formally requested in advance from committee members, relevant officers, internal and external audit?	X			Legal Services (PS) co-ordinate.
Papers					
1	Do reports to the audit committee communicate relevant information at the right frequency, time, and in a format that is effective?	X			Meetings and reports pre-planned to ensure that key organisational targets and legislative requirements are accommodated. Legal Services facilitate.
2	Does the audit committee issue guidelines and/or a proforma concerning the format and content of the papers to be presented?	X			Pre-formatted reporting template in use.
Actions arising					
1	Are minutes prepared and circulated promptly to the appropriate people?	X			Within 5 days of meeting, Legal Services(PS) co-ordinate.
1	Is a report on matters arising made and minuted at the audit committee's next meeting?	X			Legal Service (PS) co-ordinate.

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1	Do action points indicate who is to perform what any by when?	X			<p>On-line system records action points and target deadlines as well as notifying appropriate officers by email of any requirements pending.</p> <p>Legal Services facilitate this process.</p> <p>'ModGov' system currently in use.. has increased effectiveness in this area.</p>

Completed By: Councillor Adrian Jones
Assisted By: Mark P Niblock.
Date: Sept 2016