

Appendix 2

CIPFA Self Assessment of Good Practice

Good practice questions	Yes	Partly	No	Comments	Recommended action
Audit Committee purpose and governance					
1. Does the authority have a dedicated audit committee?		*		There is a combined Audit & Standards committee. This has been carefully considered as part of the council's constitutional arrangements and is considered to be the most appropriate and effective approach. Sufficient attention is able to be given to audit matters.	None
2. Does the audit committee report directly to full council?	*			Yes	N/A
3. Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's position statement?	*			The terms of reference are consistent with CIPFA's position statement although not exactly the same language is used.	None

4. Is the role and purpose of the audit committee understood and accepted across the authority?	*			The audit committee has a positive profile and is well respected and valued	N/A
5. Does the audit committee provide support to the authority in meeting the requirements of good governance?	*			Yes	N/A
6. Are the arrangements to hold the committee to account for its performance operating satisfactorily?		*		There is an annual report to Full Council however we will review whether this is sufficient.	Review approach to assessing satisfactory performance by the committee Target date: 30 September 2014 Person responsible: Head of Law and Monitoring Officer

<p>7. Do the committee's terms of reference explicitly address all the core areas identified in CIPFA's Position statement:</p> <ul style="list-style-type: none"> • good governance • assurance framework • internal audit • external audit • financial reporting • risk management • value for money or best value • counter-fraud and corruption 		*		<p>See terms of reference in Appendix 1, value for money or best value is not explicitly referenced although the External Auditor's opinion on the matter is considered. There is a risk of overlap with the responsibilities of Policy & Resources Committee which would need to be carefully considered.</p>	<p>Review committee's approach to value for money</p> <p>Target date: 30 September 2014 Person responsible: Executive Director, Finance & Resources</p>
<p>8. Is an annual evaluation undertaken to assess whether the committee is fulfilling its terms of reference and that adequate consideration has been given to all core areas?</p>	*			<p>Yes, this is part of that process</p>	<p>N/A</p>
<p>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?</p>	*			<p>The remit includes Standards and as part of this, ethical values and Treasury Management Scrutiny</p>	<p>N/A</p>

10. Where coverage of core areas has been found to be limited, are plans in place to address this?	*			See action above in relation to value for money. Also main report stresses need for increased focus on counter-fraud and corruption.	N/A
11. Has the committee maintained its non-advisory role by not taking on any decision making powers that are not in line with its core purpose?	*			Yes	N/A
Membership and support					

<p>12. Has an effective audit committee structure and composition of the committee been selected? This should include:</p> <ul style="list-style-type: none"> • separation from the executive • an appropriate mix of knowledge and skills among the membership • an appropriate mix of knowledge and skills among the membership • a size of committee that is not unwieldy • where independent members are used that they have been appointed using an appropriate process 	<p>*</p>		<p>The composition has been carefully considered in the light of the council's committee system to ensure as much separation as possible from the executive while retaining the need for appropriate skills mix and political proportionality. The two independent members were recruited through a formal process to provide additional skills to the committee.</p>	<p>None</p>
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<p>13. Does the chair of the committee have appropriate knowledge and skills?</p>	<p>*</p>			<p>There is an experienced chair who seeks and receives appropriate support and advice where needed. We will identify whether there is any more specialist training that may be of particular benefit to the unique role of the Chair.</p>	<p>Annual review of Chair's training needs.</p> <p>Target date: 30 June 2014</p> <p>Person responsible: Chair, in conjunction with Head of Law & Monitoring Officer</p>
<p>14. Are arrangements in place to support the committee with briefings and training?</p>	<p>*</p>			<p>There is an induction programme, specific training on financial statements, briefings as part of committee meeting sessions and other workshops as needed.</p>	<p>Annual review of committee's training needs.</p> <p>Target date: 30 June 2014</p> <p>Person responsible: Head of Law & Monitoring Officer</p>

15. Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory?		*		A desktop review suggests that it is satisfactory overall however feedback from individuals is required.	Annual review of individual's training needs. Target date: 30 June 2014 Person responsible: Head of Law & Monitoring Officer
16. Does the committee have good working relations with key people and organisations, including external audit, internal audit and the chief financial officer.	*			Yes	N/A
17. Is an adequate secretariat and administrative support to the committee provided?	*			Yes	N/A
Effectiveness of the committee					
18. Has the committee obtained feedback on its performance from those interacting with the committee or relying on its work?	*			Discussed at member workshop in December.	N/A

19. Has the committee evaluated whether and how it is adding value to the organisation?	*			Discussed at member workshop in December.	N/A
20. Does the committee have an action plan to improve any areas of weakness.	*			Yes.	N/A