

Internal Audit - Effectiveness of the Audit Committee 2013/14

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REASON FOR ITEM

An effective and independent Audit Committee is a key element in the Council's corporate governance and risk management framework. An effective Audit Committee leads to improved internal control, risk management and financial reporting. It provides a forum for discussing key issues raised by Internal Audit and External Audit, working independently to provide assurance to the Council.

Best practice guidance states that in order for the Audit Committee to be fully effective and therefore able to provide meaningful advice and assurance to the Council, its Members need to be independent, diligent, knowledgeable, and receive relevant, timely and reliable information. The guidance also sets out that Audit Committee Members must be in a position to feel able to challenge Directors and the Cabinet, as well as draw attention to any significant governance weaknesses.

In addition, the guidance states that the Audit Committee should have clear reporting lines and unrestricted rights of access to other Council committees and senior managers (as required/ appropriate). The Audit Committee should also have sufficient administrative support and access to all relevant and timely information.

OPTIONS AVAILABLE TO THE COMMITTEE

The Audit Committee is asked to review and discuss the findings, conclusions and recommendations presented and the management action proposed in the Effectiveness of the Audit Committee final report.

INFORMATION

The report aims to provide independent, objective assurance to the Council over the effectiveness of the Audit Committee. Specifically Internal Audit reviewed the following key areas:

- Audit Committee Terms of Reference;
- Audit Committee meeting agendas and minutes;
- Audit Committee Members' relevant experience, training and skills;
- Review of key Audit Committee documents including (but not limited to) Statement of Accounts and the Annual Internal Audit Report; and
- Survey feedback of a number of Audit Committee attendees.

LEGAL IMPLICATIONS

There are no legal implications arising directly from this report.

BACKGROUND PAPERS

Final Internal Audit Assurance Report - Effectiveness of the Audit Committee, published on 24 July 2014.