

First Major Review – Effectiveness of the Audit Committee and its Terms of Reference – Draft Scoping Report

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REASON FOR ITEM

To enable the Committee to consider the draft scoping report for the Committee's first major review of 2011-12, the Effectiveness of the Audit Committee and its Terms of Reference.

OPTIONS OPEN TO THE COMMITTEE

1. The Committee is asked to consider the draft scoping report and make comments and suggestions as appropriate.
2. The Head of Audit and Enforcement will be present at the meeting and will provide Members with an overview of the responsibilities of the Audit Committee.
3. The Committee is asked to consider the witnesses it would like to attend future meetings to obtain evidence for the review.

INFORMATION

1. At the last meeting of the Committee held on 9 June 2011 Members agreed that their first major review should be looking at the Effectiveness of the Audit Committee and its Terms of Reference. Members were informed that a review would be timely in view of the Department for Communities and Local Government consultation on the future plans for local audit after the Audit Commission was abolished. However, Members should note that any legislation which results from the consultation will not be in place until after the review has been completed.
2. A draft scoping report is attached for Members to review and discuss and to make changes where necessary. **(Appendix 1)** The Head of Audit and Enforcement will attend the meeting and will provide the Committee with an overview of the Audit Committee and be available to answer Members' questions
4. For Members information a copy of the Audit Committee's existing terms of reference is attached. **(Appendix 2)** In addition the recent Audit Committee Annual Report to Council (7 July 2011) is attached which provides a summary of activities of the Audit Committee in the last 12 months. **(Appendix 3)**

PAPERS WITH THE REPORT

Draft Scoping Report (Appendix 1).
Audit Committee's Terms of Reference (Appendix 2)
Audit Committee Annual Report to Council (Appendix 3)

SUGGESTED COMMITTEE ACTIVITY

1. Members question the Head of Audit and Enforcement and identify important issues for their review.
2. Members identify areas where further information and evidence is required to help greater understanding of the issues.
3. Member to update the draft scoping report as appropriate.