

2008-09 Performance Select Committee Self-assessment checklist (April 2009)

ESTABLISHMENT, OPERATION AND DUTIES					
Role and remit					
Priority	Issue	Yes	No	N/a	Comments/action
1	Does the audit committee have written terms of reference?	yes			In UDC Constitution Performance select committee Terms of Reference and Terms of Delegation
1	Do the terms of reference cover the core functions of an audit committee as identified in the CIPFA guidance?	yes			Not as detailed as in the CIPFA guidance
1	Are the terms of reference approved by the council and reviewed periodically?	yes			
1	Has the audit committee been provided with sufficient membership, authority and resources to perform its role effectively and independently?	yes			
1	Can the audit committee access other committees and full council as necessary?	yes			
1	Does the authority's statement on internal control include a description of the audit committee's establishment and activities?	yes			SIC replaced by Annual Governance Statement (AGS) for 2007-08
2	Does the audit committee periodically assess its own effectiveness?	yes			2008-09 is first assessment of PSC
2	Does the audit committee make a formal annual report on its work and performance during the year to full council?		no		
Membership, induction and training					
Priority	Issue	Yes	No	N/a	Comments/action
1	Has the membership of the audit committee been formally agreed and a quorum set?	yes			
1	Is the chair independent of the executive function?	yes			
1	Has the audit committee chair either previous knowledge of, or received appropriate training on, financial and risk management, accounting	yes			

	concepts and standards, and the regulatory regime?				
1	Are new audit committee members provided with an appropriate induction?	yes			Induction training of new members but not for PSC, there is capacity for further training
1	Have all members' skills and experiences been assessed and training given for identified gaps?	yes			The committee has a good range of experience. (Chairman chairs the Audit Committee of a NHS hospital). Training will be conducted in 2009
1	Has each member declared his or her business interests?	yes			Declared by Members in the Register of Interests
2	Are members sufficiently independent of the other key committees of the council?	yes			
Meetings					
Priority	Issue	Yes	No	N/a	Comments/action
1	Does the audit committee meet regularly?	yes			
1	Do the terms of reference set out the frequency of meetings?		no		set out in the Constitution Article 20, Annual Work Programme
1	Does the audit committee calendar meet the authority's business needs, governance needs and the financial calendar?	yes			
1	Are members attending meetings on a regular basis and if not, is appropriate action taken?	yes			Monitored by the Chairman who would take action where appropriate
1	Are meetings free and open without political influences being displayed?	yes			
1	Does the authority's S151 officer or deputy attend all meetings?	yes			
1	Does the audit committee have the benefit of attendance of appropriate officers at its meetings?	yes			
INTERNAL CONTROL					
Priority	Issue	Yes	No	N/a	Comments/action
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?	yes			AGS
1	Does the audit committee have responsibility for review and approval of the SIC and does it consider it separately from the	yes			AGS 2007-8 reviewed separately from accounts. Proposal for 2008-09 AGS is review of draft May 2009 prior to approval of Accounts 30 June 2009

	accounts?				
1	Does the audit committee consider how meaningful the SIC is?	yes			AGS
1	Does the audit committee satisfy itself that the system of internal control has operated effectively throughout the reporting period?	y			AGS
1	Has the audit committee considered how it integrates with other committees that may have responsibility for risk management?	yes			Risk Management Steering Group reports to PSC
1	Has the audit committee (with delegated responsibility) or the full council adopted "Managing the Risk of Fraud – Actions to Counter Fraud and Corruption?"		no		
1	Does the audit committee ensure that the "Actions to Counter Fraud and Corruption" are being implemented?			n/a	
2	Is the audit committee made aware of the role of risk management in the preparation of the internal audit plan?	yes			
2	Does the audit committee review the authority's strategic risk register at least annually?	yes			quarterly review delegated to RMSG
2	Does the audit committee monitor how the authority assesses its risk?	yes			Risk Management Steering Group reports to PSC
2	Do the audit committee's terms of reference include oversight of the risk management process?	yes			
FINANCIAL REPORTING AND REGULATORY MATTERS					
Priority	Issue	Yes	No	N/a	Comments/action
1	Is the audit committee's role in the consideration and/or approval of the annual accounts clearly defined?	yes			PSC will be taking over responsibility for the approval of the annual accounts from the Finance & Administration Committee for 2008/09
1	Does the audit committee consider specifically: <ul style="list-style-type: none"> • the suitability of accounting policies and treatments • major judgements made • large write-offs • changes in accounting treatment • the reasonableness of accounting estimates the narrative aspects of 	yes			

	reporting?				
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 the audit?	yes			
1	Does the audit committee review management's letter of representation?	yes			
2	Does the audit committee annually review the accounting policies of the authority?	yes			
2	Does the audit committee gain an understanding of management's procedures for preparing the authority's annual accounts?	yes			
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?	yes			
INTERNAL AUDIT					
Priority	Issue	Yes	No	N/a	Comments/action
1	Does the audit committee approve, annually and in detail, the internal audit strategic and annual plans including consideration of whether the scope of internal audit work addresses the authority's significant risks?	yes			
1	Does internal audit have an appropriate reporting line to the audit committee?	yes			
1	Does the audit committee receive periodic reports from the internal audit service including an annual report from the Head of Internal Audit?	yes			
1	Are follow-up audits by internal audit monitored by the audit committee and does the committee consider the adequacy of implementation of recommendations?	yes			
1	Does the audit committee hold periodic private discussions with the Head	yes			Chairman and Audit Manager

	of Internal Audit?				
1	Is there appropriate cooperation between the internal and external auditors?	yes			quarterly meetings
1	Does the audit committee review the adequacy of internal audit staffing and other resources?	yes			
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?	yes			Internal Audit reviewed by Audit Commission 2008, will carry out self-assessment and peer reviews in coming years
2	Are internal audit performance measures monitored by the audit committee?	yes			
2	Has the audit committee considered the information it wishes to receive from internal audit?	yes			
EXTERNAL AUDIT					
Priority	Issue	Yes	No	N/a	Comments/action
1	Do the external auditors present and discuss their audit plans and strategy with the audit committee (recognizing the statutory duties of external audit)?	yes			
1	Does the audit committee hold periodic private discussions with the external auditor?	yes			
1	Does the audit committee review the external auditor's annual report to those charged with governance?	yes			
1	Does the audit committee ensure that officers are monitoring action taken to implement external audit recommendations?	yes			
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?	yes			
1	Does the audit committee assess the performance of external audit?	yes			
1	Does the audit committee consider and approve the external audit fee?	yes			

ADMINISTRATION					
Agenda management					
Priority	Issue	Yes	No	N/a	Comments/action
1	Does the audit committee have a designated secretary from Committee/Member Services	yes			
1	Are agenda papers circulated in advance of meetings to allow adequate preparation by audit committee members?	yes			
2	Are outline agendas planned one year ahead to cover issues on a cyclical basis?	yes			As part of the OSC forward planning process
2	Are inputs for Any Other Business formally requested in advance from committee members, relevant officers, internal and external audit?		no		
Papers					
Priority	Issue	Yes	No	N/a	Comments/action
1	Do reports to the audit committee communicate relevant information at the right frequency, time, and in a format that is effective?	yes			
2	Does the audit committee issue guidelines and/or a proforma concerning the format and content of the papers to be presented?		no		Committee Report pro-forma for all committee reports
Actions arising					
Priority	Issue	Yes	No	N/a	Comments/action
1	Are minutes prepared and circulated promptly to the appropriate people?	yes			
1	Is a report on matters arising made and minuted at the audit committee's next meeting?	yes			
1	Do action points indicate who is to perform what and by when?	yes			