

**Committee:** Performance & Audit Committee

**Agenda Item**

**Date:** 17 May 2012

**9**

**Title:** Performance & Audit Committee Self-assessment 2011/12

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Item for information

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## Summary

1. The Performance & Audit Committee fulfils the Audit Committee functions for the Council. To ensure it is meeting its responsibilities against the guidelines provided by Chartered Institute of Public Finance and Accountancy (CIPFA) a self-assessment of its work 2011/12 has been undertaken. This self-assessment will be included as evidence in support of the Annual Governance Statement 2011/12.

## Recommendations

2. The Committee note the outcome of Performance & Audit Committee Self-Assessment 2011/12

## Financial Implications

None. There are no costs associated with this report

## Background Papers

3. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

CIPFA publication –

- A Toolkit for Local Authority Audit Committees (2006)

2011/12 Performance & Audit Committee Self-assessment checklist April 2012

## Impact

- 4.

Communication/Consultation	none
Community Safety	none
Equalities	none

Health and Safety	none
Human Rights/Legal Implications	none
Sustainability	none
Ward-specific impacts	none
Workforce/Workplace	none

**Situation**

- Using the self assessment checklist from “CIPFA – A Toolkit for Local Authority Audit Committees”, the Performance & Audit Committee Chairman and the Internal Audit Manager have carried out a self-assessment of the performance of this committee in fulfilling its Audit Committee functions in 2011/12.
- There were 66 questions contain in the CIPFA self-assessment of which 51 were priority 1 and 15 were priority 2. Of the 66 questions, responses were assessed as follows:

Priority 1	yes	no	n/a	comment on negative response
	47	4	0	<p><i>(1) Do the terms of reference set out the frequency of meetings?</i></p> <p>Committee meeting timetable is agreed by Full Council at its February meeting rather than being set out the in the Terms of Reference for the committee</p> <p><i>(2) Has the audit committee (with delegated responsibility) or the full council adopted “Managing the Risk of Fraud – Actions to Counter Fraud and Corruption?”</i></p> <p>This is a 2006 CIPFA publication. The council is currently considering Counter Fraud actions in line with more recent publications e.g. Audit Commission Protecting the Public Purse – Fighting Fraud Against Local Government (November 2011), National Fraud Authority’s Fighting Fraud Locally – the Local Government Fraud Strategy (April 2012)</p> <p><i>(3) Does the audit committee ensure that the “Actions to Counter Fraud and Corruption” are being implemented?</i></p> <p>The Committee receives reports on Internal Audit Anti-Fraud &amp; Corruption work and has reviewed 2011 Policies on Anti-Fraud &amp; Corruption and the Bribery Act</p>

				2010.  (4) 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?  The Committee's Terms of Reference determine that the committee "consider the Internal Audit Manager's annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the Council's corporate governance arrangements". Internal Audit Programme and Strategic Plan are presented to the Committee for information
<b>Priority 2</b>	<b>yes</b>	<b>no</b>	<b>n/a</b>	<b>comment on negative response</b>
	14	1	0	(1) Does the audit committee have a designated secretary from Committee/Member Services?  No designated Democratic Services Officer, there is a rotation of officers who attend meetings.

### Conclusion

7. Overall the Committee has achieved a 92% positive response for the self-assessment and the five negative responses are areas that are not considered to have a critical impact on the Committee's performance.
8. From this it can be concluded that in 2011/12 the Performance & Audit Committee has effectively fulfilled its Audit Committee functions in accordance with the CIPFA guidelines for an Audit Committee

### Risk Analysis

9.

Risk	Likelihood	Impact	Mitigating actions
The Performance & Audit Committee fails to fulfil its function as the Council's Audit Committee	1 = Little or no Likelihood  Annual self-assessment to be carried out as part of the evidence required for the Annual	2 = Some impact – action may be necessary	The annual self-assessment  The Annual governance Statement is reviewed by the Audit Commission and by the Performance & Audit Committee

Performance and Audit Committee Self-assessment 2011/12

Performance and Audit Committee, 17 May 2012

	Governance Statement		
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- 1 = Little or no risk or impact
- 2 = Some risk or impact – action may be necessary.
- 3 = Significant risk or impact – action required
- 4 = Near certainty of risk occurring, catastrophic effect or failure of project.