

AUDIT COMMITTEE

Training Programme for Audit Committee Members 30 June 2009

Report of the Internal Audit Manager

PURPOSE OF REPORT

To seek Members' views on training needs in the role and operation of the Audit Committee and options for delivery during the coming year.

This report is public

RECOMMENDATIONS

- (1) **That the Committee considers whether it wishes to receive training in any of the roles and responsibilities of the Audit Committee during the current municipal year, and if so, the timing and format in which it would prefer to receive any such training.**

1.0 Introduction

1.1 The constitution and operation of the Audit Committee is considered as a specific element within the external auditor's annual assessment of the Council's "Use of Resources" (UoR). The Council's Audit Committee is established so as to cover all the core functions expected of an audit committee and has therefore been well placed to date to contribute to a positive assessment.

1.2 As the focus of UoR assessments moves more towards effectiveness and outcomes, the expectations of the Audit Committee are reflected in the following statements from the UoR:

- *"The council can demonstrate that it is effectively delivering the core functions of an audit committee, as identified in the CIPFA guidance; that it provides challenge to the Executive when required and provides for effective leadership on governance, financial reporting and audit issues."* (descriptor for "level 3"); and
- *"An audit committee ... provides effective challenge across the council and independent assurance on the risk management framework and associated internal control environment to members and the public, and can demonstrate the impact of its work."* (descriptor for "level 4")

2.0 Proposal Details

2.1 As this is the first meeting of the Committee in the current municipal year, it is an appropriate opportunity to consider the levels of knowledge and experience held by the Committee and assess whether, and what, training might be beneficial.

2.2 The core functions of the Committee are set out in its Terms of Reference which are attached as Appendix A. In terms of developing and demonstrating the Committee's effectiveness, the key elements, which Members may wish to consider as potential training topics, are:

- Monitoring arrangements for efficient and effective financial and operational resource management;
- Reviewing and approving the annual Statement of Accounts;
- Evaluating the effectiveness of Internal Audit and the use of Audit resources;
- Evaluating the adequacy and effectiveness of the Council's financial and operational policies and procedures (including financial and accounting management);
- Reviewing the findings of both Internal and External Audit examinations and ensuring that appropriate action is taken to remedy any weaknesses identified;
- Monitoring the effective development and operation of risk management and corporate governance by considering the effectiveness of the Council's adopted local Code of Governance; and
- Reviewing the operation of the Constitution. to ensure the aims and principles of the Constitution are given full effect.

2.3 It is anticipated that training would normally be delivered by officers of the Council and/or the external auditors. Options for delivering training are identified as:

- Inclusion of a training item (usually in the form of a short presentation) on the agenda for Committee meetings;
- Separate training sessions in addition to the normal Committee schedule;
- Provision of briefing notes on specific subjects/roles.

3.0 Details of Consultation

3.1 No consultation has been carried out.

4.0 Options and Options Analysis (including risk assessment)

4.1 The options available to the Committee are to consider the range and format of training it might wish to receive. The delivery of training could involve one, or a combination of options identified in § 2.3.

5.0 Conclusion

- 5.1 It is an opportune time for the Committee to consider whether and in what areas, training during the year would assist with its operation and help demonstrate its effectiveness. Any proposals for training will be taken forward in liaison with Democratic Services in their implementation of the Member Development Strategy and recently published Member Training and Development Programme.

CONCLUSION OF IMPACT ASSESSMENT (including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)	
Not applicable	
FINANCIAL IMPLICATIONS	
None arising from this report	
SECTION 151 OFFICER'S COMMENTS	
The s151 Officer has been consulted and has no further comments.	
LEGAL IMPLICATIONS	
None arising from this report	
MONITORING OFFICER'S COMMENTS	
The Monitoring Officer has been consulted and has no further comments	
BACKGROUND PAPERS	Contact Officer: Derek Whiteway Telephone: 01524 582028 E-mail: dwhiteway@lancaster.gov.uk Ref: aud/comm/aud/090630/ACtraining
None	