

## TRAINING FOR AUDIT & ACCOUNTS COMMITTEE MEMBERS

### SUMMARY

- 1.1 The report provides a proposed training plan for Audit and Accounts Committee Members to ensure they are well informed to fulfil their role.

### RECOMMENDATION

- 2.1 To consider and comment upon the proposed training plan at Appendix 2.
- 2.2 To suggest any other areas of training that the Committee members feel are necessary for them to fulfil their role.

### REASONS FOR RECOMMENDATION

- 3.1 It is important that a training programme is agreed and put in place to help Members in their roles.

### SUPPORTING INFORMATION

- 4.1 A key requirement of an effective Audit Committee is a well informed membership who has some knowledge and experience of the key areas to be considered by the Committee. Appropriate and timely training for Members is an important way of ensuring Members are well prepared and gain the knowledge and experience needed to carry out their role effectively.
- 4.2 Recent training sessions requested by Committee members have been delivered in 2 key areas:
- International Financial Reporting Standards (December 2009) and
  - Treasury Management (February 2010).

- 4.3 A draft training plan for Committee has been developed and is detailed at Appendix 2. Key areas of responsibility of the Audit and Accounts Committee have been identified as the basis for potential further training. A separate induction programme is being designed by the Head of Audit and Risk Management for new Members to the Committee. The Chartered Institute of Public Finance and Accountancy (CIPFA) suggests that members of an Audit Committee should receive regular and specific training in:
- financial reporting
  - governance
  - understanding financial statements
  - the regularity framework
  - the role of internal and external audit
  - the importance of risk management.

This suggested list has been taken into account in the first draft of the training plan.

- 4.4 As well as training sessions, it is proposed that the use of workshops is considered to allow members of the Committee to discuss specific issues/roles in more detail. One area identified is that of the Role of the Audit and Accounts Committee. A workshop approach would provide members with the opportunity to identify what is working well in the Committee and also to highlight any problem areas. It would also provide a forum for assessing the challenges ahead for the Committee.

## OTHER OPTIONS CONSIDERED

- 5.1 N/A

**This report has been approved by the following officers:**

<b>Legal officer</b> <b>Financial officer</b> <b>Human Resources officer</b> <b>Service Director(s)</b> <b>Other(s)</b>	
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<b>For more information contact:</b>  <b>Background papers:</b> <b>List of appendices:</b>	Richard Boneham, Head of Audit & Risk Management 01332 643280 e-mail richard.boneham@derby.gov.uk None Appendix 1 – Implications Appendix 2 – Draft training plan
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<b>IMPLICATIONS</b>
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**Financial and Value for Money**

- 1.1 None directly arising.

**Legal**

- 2.1 None directly arising.

**Personnel**

- 3.1 None directly arising.

**Equalities Impact**

- 4.1 None directly arising.

**Health and Safety**

- 5.1 None directly arising.

**Environmental Sustainability**

- 6.1 None directly arising.

**Asset Management**

- 7.1 None directly arising.

**Risk Management**

- 8.1 Without appropriate training in respect of their roles and responsibilities there is a risk that members of the Audit and Accounts Committee would not be able to undertake their function as effectively as they should do.

**Corporate objectives and priorities for change**

- 9.1 The training for Members will be designed to enhance the Committee's scrutiny of various aspects of the Council's controls and governance arrangements.

**Draft Training Plan for Audit and Accounts Committee**

<b>Training area/issue</b>	<b>How will it be provided</b>	<b>Who will provide it?</b>
Risk Management – a strategic approach	Training session	Head of Audit & Risk Management
Information Governance	Training session	Head of Audit & Risk Management
Governance and reductions in service planning	Workshop	
The Role of IT Audit	Training session	Head of Audit & Risk Management
Anti-fraud and Corruption	Training session	Head of Audit & Risk Management
Role of the Audit & Accounts Committee	Workshop	
Interpreting the statement of accounts (including update on IFRS)	Training session	Head of Corporate Finance