

Appendix 1

Proposed Actions Arising From The Self-Assessment in 2017/18

Ref	Issue	Comment	Proposed Action	Progress Made
	Establishment, Operation & Duties			
	Role and remit			
1	Do the written terms of reference adequately and realistically define the committee's role?	Not been reviewed for 4 years.	Working Group set up to review ToR. Awaiting publication of Guidance from CIPFA	Action Complete
3	Is the committee satisfied that it has been provided with sufficient membership, authority and resources to perform its role effectively and independently?	The Committee would benefit from independent members to add value to the Committee. This is seen as good practice by CIPFA.	Seek approval from Council to advertise for co-opted/independent (non-voting) members of the Committee	Action complete
7	Does the committee make a formal annual report on its work and performance during the year to full council?	This is good practice. as it raises the status of A & A and its role, and makes all members aware of the scope and importance of the committee's work. The Chair of Committee is supportive of this.	The Chair produces a formal report each year to present at full council which outlines the work of the Audit and Accounts Committee and informs all Council members on the level of robustness of the internal control environment and the management of risks.	Action complete
	Membership, induction and training			
11	Are new Committee members	Although this was not flagged	Officers produce a handbook for all	Action not completed - The preparation of

Ref	Issue	Comment	Proposed Action	Progress Made
	provided with an appropriate induction	as a weakness in the self-assessment, one response suggested that a manual/handbook was produced that contains all the relevant information that members of the Committee need to perform their role. This addition was agreed by the Committee at its meeting on 20 March 2018 that	members of the Audit and Accounts Committee which provides all the information that is required for Committee members to fulfil their role effectively.	the handbook was put on hold.
12	Have all committee members' skills and experiences been assessed and training given for identified gaps?	Training has just been general; not specific to identified gaps. The skills and experience of individual committee members has not been really assessed.	Carry out a skills and knowledge assessment for each of the Committee Members at the beginning of each municipal year.	Action not completed – to be picked up as part of the self-assessment exercise in February 2020.
14	Are members sufficiently independent of the other key committees of the council?	Members raised the issue of their membership of other Committee's e.g Scrutiny. It was also highlighted that the Chair of Committee is from the controlling group and therefore could be influenced by the Cabinet.	To carry out a risk assessment of the issue.	Action Complete
	Meetings			
16	Do the terms of reference set	Frequency of meetings is not	See comments on Questionnaire	The revised terms of reference sets out the minimum number of meetings per

Ref	Issue	Comment	Proposed Action	Progress Made
	out the frequency of meetings?	mentioned	issue 1 above	municipal year.
19	Are meetings free and open without political influences being displayed?	Some Members felt that the Committee meetings were still being used to make political statements	The Chair reminds each Member that the Committee should be apolitical and shuts down any such activity.	Ongoing action - The need for the Committee to be apolitical is made clear to all members within the Committee's induction process. The Chair is aware of the need for him to prevent members of the committee making political statements in meetings..
	Internal control, Risk & Governance			
25	Does the committee satisfy itself that the system of internal control has operated effectively throughout the reporting period?	Members commented that there was insufficient evidence being provided to draw a conclusion	Training is given to Committee Members on the areas they need to explore to gain assurance on the operation of the internal control system.	Ongoing action - This is being included in the training and development programme for the Committee.
26	Has the committee considered how it integrates with other committees that may have responsibility for risk management?	Members were concerned that there was no integration evident.	To review the role other Committees have in respect of risk management and how it can work with them.	Action not complete
28	Is the committee made aware of the role of risk management in the preparation of the internal audit plan?	Members expressed a view that this needs to be explained more fully.	To include a more in depth session on the role of risk and internal audit in the Committee training programme.	Ongoing action

Ref	Issue	Comment	Proposed Action	Progress Made
	Financial Reporting & Regulatory Matters			
33	Does the committee consider specifically: a) the suitability of accounting policies and treatments b) major judgements made c) large write-offs d) changes in accounting treatment e) the reasonableness of accounting estimates f) the narrative aspects of reporting?	There was a division in whether or not Members felt these were being considered adequately at meetings. This may well be down to the individual Member's understanding of these areas.	To cover the key accounting concepts/treatments etc in briefings for the Committee prior to the statement of accounts being presented.	Ongoing action
38	Does the committee have a mechanism to keep it aware of topical legal and regulatory issues, for example by receiving circulars and through training?	Some members felt there was no formal mechanism in place. It was reliant on Individual Officers or External Audit to provide information. They also questioned whether the current process was good enough.	To introduce a formal, properly co-ordinated approach to dissemination of information to the A & A Committee through a designated officer.	Action complete
	Internal Audit			

Ref	Issue	Comment	Proposed Action	Progress Made
39	<p>Is the committee satisfied that:</p> <ul style="list-style-type: none"> • internal audit received all the co-operation they desired; • there was no attempt to restrict the scope of internal audit work; • there were no significant disagreements with management; • there is a good working relationship between internal audit and management; • internal audit are not being subjected to undue pressure. 	<p>Overall Members felt that there are concerns particularly around the co-operation that internal audit receives. Some departments are very slow to implement recommendations by internal audit</p> <p>Members also noted the problems that internal audit had faced with the restrictions that the former interim section 151 Officer had been enforcing e.g. s24 recommendations.</p>	<p>The Committee needs to get a message out to Senior management on the level of co-operation that it expects internal audit to receive.</p>	<p>Action complete</p>
43	<p>Does the committee hold periodic private discussions with the Head of Internal Audit?</p>	<p>Members commented that the only discussions are held with the Chair and Vice-Chair.</p>	<p>Introduce a session at the start of each meeting where the Committee meets only with the Internal Auditor and the External Auditor. This gives both the Committee and the</p>	<p>Proposed action removed following guidance from Head of Legal Services</p>

Ref	Issue	Comment	Proposed Action	Progress Made
			Auditors opportunity to raise issues without Council Officers being present. This is a practice that is adopted by a number of audit committees.	
45	Does the committee review the adequacy of internal audit staffing and other resources?	Members felt that this is not an area that they had chance to comment on.	Reintroduce the report where the s151 Officer provides an opinion to committee on the effectiveness of the internal audit function.	Action not complete
	External Audit			
50	Is the audit committee aware of how the external audit plan is put together?	Some Members felt that they were just informed that this is what work External Audit would be doing and could not see the links between	Further training from External Audit on the work it does and how it prepares the plan.	Ongoing action
53	Are reports on the work of other inspection agencies presented to the committee?	Members of the Committee were of the opinion that they see few, if any reports from other inspection bodies.	The s151 Officer ensures that all reports from other inspection agencies that include references to areas of responsibility of the Committee are included on future agendas.	Action complete
56	Is the audit committee aware of any significant disagreements with management?	50% of the members responding were not aware of any significant disagreements. Others commented that as Management had accepted in full EY's findings and	Members need to be asking Officers the question at Committee meetings.	Ongoing action

Ref	Issue	Comment	Proposed Action	Progress Made
		addressed them in a plan, which the Committee was overseeing, then there was not any disagreements.		
57	Is the audit committee satisfied that the auditors have no concerns about management's commitment to a strong control environment or operating style?	Members felt that External Audit have demonstrated that they do have a number of areas of concern on the internal control environment , which they have highlighted in their adverse value for money conclusion and the s24 Recommendation.	Committee need to hold to account managers that are not committed to a robust internal control environment by asking them to attend Committee meetings to explain their reasoning.	Ongoing action
	Administration			
	Actions arising			
65	Do action points indicate who is to perform what and by when?	Members made reference to the minutes recording all recommendations and resolutions without going into detail on named officers being involved and what they'll do.	Committee need to agree at each meeting any timescales associated with resolutions /recommendations and who the responsible officer is that the action falls upon.	Ongoing action