

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

24 October 2006

Report of the Director of Finance

Part 1- Public

Matters for Information

1 AUDIT COMMITTEE TRAINING

A presentation will be given by officers at the meeting on the topic of 'Risk Awareness and Risk Management'. Members are also advised of arrangements being made for a full day training session on the topic of 'Effective Audit Committees'.

1.1 Risk Awareness and Risk Management

1.1.1 CIPFA guidance states that the purpose of the Audit Committee is "to provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment, and to oversee the financial reporting process". This guidance was reflected in the terms of reference for this Committee.

1.1.2 In order to consolidate Members' knowledge and understanding of the Risk Management element of the terms of reference, officers will give a brief presentation at the beginning of the meeting on the topic of 'Risk Awareness and Risk Management'.

1.1.3 Officers will be pleased to deal with any questions Members may have.

1.2 'Effective Audit Committees'

1.2.1 With a much broader remit, I have been working with the Training and Development Officer (Delia Gordon) to arrange a full day of training for Members of the Committee looking at 'Effective Audit Committees'.

1.2.2 The training will be provided by CIPFA at these offices. We have provisionally booked this training for 27 November, but as it will take place during the day we are awaiting confirmation from some Members that they are able to attend. The Training and Development Officer and I do appreciate the difficulties some Members will have in making themselves available for day-time training sessions.

1.2.3 In order to 'maximise' the value of this training for Tonbridge and Malling Borough Council, I have invited the three group leaders to nominate additional members who are interested and/or available to attend.

1.2.4 As mentioned above, the training will be held in the Gibson Building and we envisage the start time to be around 9.30am/10.00am; finishing by 4.30pm. CIPFA has successfully run this course for other authorities and we expect the outline programme for the day to include:

- 1) Introduction to Corporate Governance
 - Public Sector Accountability Framework
 - Principles of Good Governance
 - Relevant Public Sector Guidance
- 2) Audit Committees in Local Government
 - Core functions
 - Feature of an effective Audit Committee
 - Structure and administration
- 3) The Audit Committee
 - Qualities of the Chair of the Audit Committee
 - Audit Committee composition
 - Remit of the Audit Committee
- 4) Audit Committee Relationships
 - Director of Finance
 - Internal Audit
 - External Audit
- 5) Audit Committee 'Dilemmas'
- 6) Risk and Internal Control
 - Risk Management Process
 - Risk Registers
 - Internal Control and Statements of Internal Control

1.2.5 If Members have any issues they would like to be included in the training, please let me know and I will pass it on to the Trainer.

1.2.6 The Training and Development Officer will liaise with Members about the arrangements for the course.

1.3 Legal Implications

1.3.1 None

1.4 Financial and Value for Money Considerations

1.4.1 The costs associated with the training course provided by CIPFA can be met from the Members' training budget.

1.5 Risk Assessment

1.5.1 It is important that Members are appropriately trained in order to discharge their responsibilities as Members of this Committee. If appropriate training is not given, the Council runs the risk of failing to properly discharge its responsibilities.

Background papers:

contact: Sharon Shelton

Nil

Sharon Shelton
Director of Finance