

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

27 January 2014

Report of the Chief Internal Auditor

Part 1- Public

Delegated

1 CIPFA AUDIT COMMITTEE GUIDANCE

Summary

This report informs Members of the recent publication by the Chartered Institute of Public Finance & Accountancy (CIPFA) of “Audit Committees – Practical Guidance for Local Authorities and Police (2013 Edition)”.

1.1 Introduction

1.1.1 This publication sets out the guidance from CIPFA on the function and operation of Audit Committees in local authorities and represents CIPFA’s view of best practice for Audit Committees.

1.1.2 The document includes an updated position statement to reinforce the role of the Audit Committee to reflect changes since the original guidance issued in 2005. This position statement is reproduced with permission from CIPFA as **[Annex 1]**

1.2 Guidance

1.2.1 The guidance is copyrighted by CIPFA but an electronic version is available to all Members upon request to the Chief Internal Auditor. All Members of the Audit Committee have already received a copy.

1.2.2 There are a number of areas within the guidance that require consideration by Members and some of these relating to the terms of reference will require changes to the Constitution if they were adopted.

1.2.3 There are also two appendixes to the guidance that will also require consideration by the Audit Committee. One is a self assessment of good practice and the other is an evaluation of the effectiveness of the Audit Committee.

1.2.4 It is suggested that members of the Audit Committee have sufficient time to read the guidance before these documents are considered. These could be completed in liaison with the Chief Internal Auditor and the Audit Manager at a separate meeting with Members of the Audit Committee with the outcome to be reported to the next Audit Committee.

1.3 Financial and Value for Money Considerations

- 1.3.1 This guidance is the CIPFA definition of best practice and it does consider how Audit Committees can contribute to value for money issues. No financial implications have been identified from this guidance.

1.4 Risk Assessment

- 1.4.1 The guidance identifies the role that the Audit Committee should be undertaking in order to ensure that an effective risk management framework exists within the organisation but all reinforces that risk management is a responsibility of all stakeholders.

1.5 Equality Impact Assessment

- 1.5.1 No issues were identified.

1.6 RECOMMENDATION

- 1.6.1 It is **recommended** that Members of the Audit Committee consider completing the self assessment of good practice and evaluating the effectiveness of the Audit Committee following consideration of the Guidance.

Background papers:

contact: David Buckley

CIPFA – Audit Committees – Practical Guidance for Local Authorities and Police 2013 Edition (December 2013)

David Buckley
Chief Internal Auditor

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	N/A

Screening for equality impacts:		
Question	Answer	Explanation of impacts
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	Yes	The guidance is aimed at ensuring a strong corporate governance framework exists.
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		N/A

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.