

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

29 July 2019

Report of the Director of Finance and Transformation

Part 1- Public

Delegated

1 ROLE OF THE AUDIT COMMITTEE AND TRAINING NEEDS

The report outlines the role of the Audit Committee as set out in the Constitution and more specifically its Terms of Reference and proposed training / briefings to assist Members fulfil the responsibilities placed on the Committee.

1.1 Role of the Committee

1.1.1 With a new Committee in place following the local elections and Annual Council, it is worth reminding Members of the responsibilities of the Audit Committee as set out in the Constitution.

1.1.2 An extract from the Constitution is attached at **[Annex 1]**. The Terms of Reference state that:

The Committee shall provide to those charged with governance independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes. By overseeing internal and external audit it makes an important contribution to ensuring that effective assurance arrangements are in place. It shall also provide independent assurance on the effectiveness of the control environment, including arrangements for value for money and countering fraud.

1.1.3 In addition to the things specifically mentioned above, the Committee also has responsibility for the review and approval of the annual accounts and the review of the Treasury Management and Annual Investment Strategy prior to approval by Full Council.

1.2 Training

1.2.1 In order to ensure Members are properly equipped to undertake their role on the Committee, it will be important to offer a series of training/briefing events.

- 1.2.2 The Chair and Vice-Chair of the Committee recently attended a PSAA Local Audit Quality Forum Event, and they may as a result have their own ideas about what training or briefings the Committee might need looking to the year ahead.
- 1.2.3 The first thing identified that Audit Committee Members would need to be briefed / trained on is local government accounts given that this is the 'opening act' for the new Committee! Accordingly, a training session on Monday 22 July was arranged to take Members through this important process.
- 1.2.4 It is intended that a training session on Risk Management is programmed and current thinking is for this to be on the evening of the October Committee meeting which will be open to all Members of the Council, but of specific interest to Audit Committee Members. A speaker from our Insurers will be invited to lead this training event.
- 1.2.5 At each meeting, Members will receive monitoring information regarding the Council's Treasury Management activity; and in January each year, the Committee will be invited to review the Treasury Management and Annual Investment Strategy for recommendation to Cabinet and Full Council. In advance of this important task, it is suggested that a specific training session on Treasury Management is arranged. There is also the opportunity to provide a brief overview of one or more subject areas when introducing a particular report as we move through the year, e.g. the role of internal audit.
- 1.2.6 Members may have other training requests that may assist them in fulfilling their roles on the Committee, and I will be happy to take forward such requests.

1.3 Legal Implications

- 1.3.1 Under the Council's Constitution, Members of the Audit Committee have important roles to play in ensuring effective assurance arrangements.

1.4 Financial and Value for Money Considerations

- 1.4.1 Training costs will be met from existing budgets.

1.5 Risk Assessment

- 1.5.1 None.

1.6 Equality Impact Assessment

- 1.6.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

1.7 Recommendations

1.7.1 Members are **RECOMMENDED** to:

- 1) Note the Terms of Reference of the Committee.
- 2) Note the proposed training programme as set out in the report.
- 3) Identify any further training needs.

Background papers:

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Nil

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