

## FLINTSHIRE COUNTY COUNCIL

**REPORT TO:**           **AUDIT COMMITTEE**

**DATE:**               **WEDNESDAY, 7 MAY 2014**

**REPORT BY:**       **HEAD OF FINANCE**

**SUBJECT:**           **AUDIT COMMITTEE SELF ASSESSMENT AGAINST  
CIPFA GUIDANCE**

### **1.00 PURPOSE OF REPORT**

- 1.01 To inform members of the results of the Audit Committee self assessment which will feed into the preparation for the Annual Governance Statement 2013/14. It will also form the basis for the provision of any further training required by the committee.

### **2.00 BACKGROUND**

- 2.01 The Chartered Institute of Public Finance and Accountancy (CIPFA) published 'Audit Committees – Practical Guidance for Local Authorities and Police' in December 2013, with the aim of providing CIPFA's view of best practice for Audit Committees and of supporting them in operating effectively. The guidance was the basis of the training that most of the committee attended in February this year.

The guidance includes a self assessment questionnaire on Evaluating the Effectiveness of the Audit Committee. The Chair has agreed that this be used to provide a starting point for further development of the committee. It has also been completed by the Chief Executive and the Head of Finance.

- 2.02 The Audit Committee itself is part of the governance framework of the Authority. It is therefore appropriate for the self assessment questionnaire to be completed as part of the preparation for the Annual Governance Statement for 2013/14, which reports on overall governance within the Authority and will be published with the annual accounts.
- 2.03 In addition the results will be used to inform the provision of training to Audit Committee members.

### **3.00 CONSIDERATIONS**

- 3.01 The questionnaire is shown in Appendix A. The results have been analysed to show the average score per question and the range of scores given. All comments have been included.

- 3.02 Average scores for most of the questions are above 3.5 although some show a large range, in some cases from 1 to 5. The two lowest average scores were for the questions on value for money and effective public reporting, scoring 3.11 and 2.89.
- 3.03 Value for money is described in the Guidance as one of the core activities for an Audit Committee. It describes the role of the committee as focusing on whether the authority's overall approach to value for money is in line with objectives and to receive assurances on this to underpin the Annual Governance Statement. It should also consider the external audit opinion on value for money.
- 3.04 In their Annual Audit Letter presented to the committee in December WAO stated that overall they were satisfied that the Council has appropriate arrangements in place to secure economy, efficiency and effectiveness, but that any areas where improvements could be made will be highlighted in their Annual Improvement Report.
- 3.05 Internal Audit have looked at value for money in some reviews, but it is an area that needs to be developed.
- 3.06 Public reporting is described within the Guidance as a possible wider function of the Audit Committee. It is not an area that is currently within the Terms of Reference of the committee.

#### **4.00 RECOMMENDATIONS**

- 4.01 That the committee considers the results and reaches a decision on any further information needed or training required, individually or collectively.

#### **5.00 FINANCIAL IMPLICATIONS**

- 5.01 None as a direct result of this report.

#### **6.00 ANTI POVERTY IMPACT**

- 6.01 None as a direct result of this report.

#### **7.00 ENVIRONMENTAL IMPACT**

- 7.01 None as a direct result of this report.

#### **8.00 EQUALITIES IMPACT**

- 8.01 None as a direct result of this report.

#### **9.00 PERSONNEL IMPLICATIONS**

- 9.01 None as a direct result of this report.

**10.00 CONSULTATION REQUIRED**

10.01 None as a direct result of this report.

**11.00 CONSULTATION UNDERTAKEN**

11.01 None as a direct result of this report.

**12.00 APPENDICES**

12.01 Audit Committee self assessment checklist.

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985  
BACKGROUND DOCUMENTS**

None

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