

**CITY OF CARDIFF COUNCIL
CYNGOR DINAS CAERDYDD**

AUDIT COMMITTEE: 23 MARCH 2015

AUDIT COMMITTEE SELF ASSESSMENT 2015

REPORT OF CORPORATE DIRECTOR RESOURCES

AGENDA ITEM: 5.2

Reason for Report

1. On 19 January 2015 the Audit Committee undertook a Self Assessment Workshop in a closed session, prior to the public meeting of the Committee. The outcome of which is appended to this report for Members of the Committee to consider and agree an action plan of proposed improvements.

Background

2. Audit Committees have evolved with each stage of their development influenced by the findings and recommendations of a succession of high profile, private and public sector reviews. These have been commissioned over recent years and have significantly advanced the concepts of internal control and corporate governance and promoted the growth and prominence of Audit Committees, focused on reviewing the effectiveness of governance, risk management and internal control arrangements.
3. The Local Government (Wales) Measure 2011 requires all Local Authorities to have an Audit Committee. The Council's former Audit Panel become a formal Committee in May 2012.
4. The Audit Committee undertook their first self assessment in December 2013. The exercise was considered timely given that the Committee had been in place for just over 12 months. Future assessments were considered appropriate to take place in January so to feed into the Committee's Annual Report. The Self Assessment Framework was produced based on best practice guidance from CIPFA, the requirements of the Local Government Measure and local knowledge of the Council. The workshop was facilitated by Wales Audit Office and the Audit & Risk Manager; both the Corporate Director Resources (Section 151 Officer) and the County Clerk & Monitoring Officer were in attendance.

Issues

5. At the workshop Members of the Committee went through the Self Assessment exercise, the outcome of which can be referred to at Appendix A. The Self Assessment Questionnaire was made up of 46 questions and Members were given the option of answering yes, no or partly to each question. All questions were answered, the majority of questions were answered with yes and a small minority with

partly. The questionnaire itself was used to show the evidence thought appropriate to support the response for each question.

6. Following completion of the assessment questionnaire an action plan was produced and incorporated into Appendix A; seventeen proposed actions for improvement were identified for the Committee to consider. These improvements aim to address the questions within the assessment which could only be answered partly.
7. The Audit Committee will need to be satisfied with the proposed improvement actions and if so agree appropriate timescales to take them forward.
8. The workshop provided an opportunity for Members to consider and challenge the Committee's role, against best practice evaluation criteria and this prompted much discussion. Overall the outcome provided a great deal of assurance around the role of the Audit Committee and evidence to support this view and also provided some ideas where improvements can be considered going forward.
9. Members and Officers considered that the exercise had been very helpful and it was agreed that it would continue to be an annual exercise, which can be used to inform the Audit Committee's Annual Report.

Legal Implications

10. There are no direct legal implications arising from this report.

Financial Implications

11. There are no direct financial implications arising from this report.

Recommendation

12. The Committee should consider the findings of the Audit Committee's Self Assessment exercise, summarised at Appendix A. Should the Committee be content with the proposed improvement actions, to agree the deadlines associated with implementing the improvement actions.

CHRISTINE SALTER CORPORATE DIRECTOR RESOURCES

The following Appendix is attached:

Appendix A – Audit Committee Self Assessment

Background Paper:

Report to Council, on 19 December 2013, Democratic Services Committee Proposal – Wales Charter for Member Support and Development