

<b>ESTABLISHMENT, OPERATION AND DUTIES</b>				
<b>Issue</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Comments</b>
<b>Role and remit</b>				
Does the audit committee have written terms of reference?	Yes			Due for review in 2014.
Do the terms of reference cover the core functions of an audit committee as identified in the CIPFA guidance?	Yes			Considered and implemented as part of the last review.
Are the terms of reference approved by the council and reviewed periodically?	Yes			Approved by Cabinet.
Has the audit committee been provided with sufficient membership, authority and resources to perform its role effectively and independently?	Yes			
Can the audit committee access other committees and full council as necessary?	Yes			
Does the authority's statement on internal control (SIC) include a description of the audit committee's establishment and activities? Note: SIC now replaced by the annual governance statement.	Yes			Referred to in AGS including establishment as a full committee. More detail included on the Audit Committee's activities in this year's AGS.
Does the audit committee periodically assess its own effectiveness?	Yes			Annually
Does the audit committee make a formal annual report on its work and performance during the year to full council?	Yes			On agenda for June 2014 meeting.
<b>Membership, induction and training</b>				
Has the membership of the audit committee been formally agreed and a quorum set?	Yes			
Is the chair independent of the executive function?	Yes			Chair is Cllr Steve Weisinger who is not a Cabinet member.
Has the audit committee chair either, previous knowledge of, or received appropriate training on, financial and risk management, accounting concepts and standards, and the regulatory regime?	Yes			
Are new audit committee members provided with an appropriate induction?	Partial			Training sessions were held in 2011/12 but limited attendance. 1:1 sessions with a number of Audit Committee members.
Have all members' skills and experiences been assessed and training given for identified gaps?		No		Not formally.
Has each member declared his or her business interests?	Yes			Requirement of all Members. Also requirement at the start of each meeting.
Are members sufficiently independent of the other key committees of the council?	Yes			
Does the audit committee meet regularly?	Yes			Plan to meet five times during 2014/15
Do the terms of reference set out the frequency of meetings?	Yes			
Does the audit committee calendar meet the authority's business needs, governance needs and the financial calendar?	Yes			Timetable for 2014/15 prepared to align these requirements.
<b>Meetings</b>				
Are members attending meetings on a regular basis and if not, is appropriate action taken?	Yes			
Are meetings free and open without political influences being displayed?	Yes			
Does the authority's S151 officer or deputy attend all meetings?	Yes			S151 Officer attends meetings.
Does the audit committee have the benefit of attendance of appropriate officers at its meetings?	Yes			Relevant Board Directors/Heads of Service attend.

Issue	Yes	No	N/A	Comments
<b>Internal Control</b>				
Does the audit committee consider the findings of the annual review of the effectiveness of the system of internal control (as required by the Accounts & Audit Regulations) including the review of the effectiveness of the system of internal audit?	Yes			The review of the effectiveness of Internal will be carried out in June 2014 meeting of the Committee.
Does the audit committee have responsibility for review and approval of the SIC (now annual governance statement) and does it consider it separately from the accounts?	Yes			
Does the audit committee consider how meaningful the SIC (now annual governance statement) is?	Yes			
Does the audit committee satisfy itself that the system of internal control has operated effectively throughout the reporting period?	Yes			
Has the audit committee considered how it integrates with other committees that may have responsibility for risk management?	Yes		N/A	The Audit Committee has responsibility for risk management.
Has the audit committee (with delegated responsibility) or the full council adopted "Managing the Risk of Fraud – Actions to Counter Fraud and Corruption?"	Partial			This was published in 2006. The Council's Anti-Fraud and Corruption Strategy has been reviewed. The Cipfa publication is very onerous and the West of England Heads of IA group consider it unrealistic to meet all the requirements of the document.
Does the audit committee ensure that the "Actions to Counter Fraud and Corruption" are being implemented?	Yes			See above.
Is the audit committee made aware of the role of risk management in the preparation of the internal audit plan?	Yes			A significant part of the Internal Audit plan is based on the Corporate risk register and those risks identified by Heads of Service. Audit Committee approves the annual Internal Audit plan.
Does the audit committee review the authority's strategic risk register at least annually?	Yes			Risk Manager reports to the Audit Committee and includes reference to strategic risk register.
Does the audit committee monitor how the authority assesses its risk?	Yes			
Do the audit committee's terms of reference include oversight of the risk management process?	Yes			
<b>FINANCIAL REPORTING AND REGULATORY MATTERS</b>				
Is the audit committee's role in the consideration and/or approval of the annual accounts clearly defined?	Yes			Annual accounts approved by Audit Committee and included in the Committee's terms of reference.
Does the audit committee consider specifically: • the suitability of accounting policies and treatments • major judgements made • large write-offs • changes in accounting treatment • the reasonableness of accounting estimates the narrative aspects of reporting?	Yes			Where relevant

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<b>FINANCIAL REPORTING AND REGULATORY MATTERS cont.</b>				
Is an audit committee meeting scheduled to receive the external auditor's report to those charged with governance including a discussion of proposed adjustments to the accounts and other issues arising from the audit?	Yes			
Does the audit committee review management's letter of representation?	Yes			External Audit's Annual letter is presented to and discussed at Audit Committee.
Does the audit committee annually review the accounting policies of the authority?	Partial			At the last review Members considered this to be within the remit of the Board Director: Resources. However, any updates on accounting policy/standards etc. are reported to committee.
Does the audit committee have a mechanism to keep it aware of topical legal and regulatory issues, for example by receiving circulars and through training?	Yes			
<b>INTERNAL AUDIT</b>				
Does the audit committee approve, annually and in detail, the internal audit strategic and annual plans including consideration of whether the scope of internal audit work addresses the authority's significant risks?	Yes			The Audit Committee approves the Annual Audit Plan and Strategy  Review of the strategy will be included in a future committee meeting.
Does internal audit have an appropriate reporting line to the audit committee?	Yes			Direct to Audit Committee. Head of Internal Audit also has access to Chair of Audit Committee if required.
Does the audit committee receive periodic reports from the internal audit service including an annual report from the Head of Internal Audit?	Yes			Head of Internal Audit provides an update at each Audit Committee meeting.  Head of Internal Audit's Annual report is also presented to Audit Committee.
Are follow-up audits by internal audit monitored by the audit committee and does the committee consider the adequacy of implementation of recommendations?	Yes			Results of follow up audits would be reported to Audit Committee.  Responsible officers can be called in by Audit Committee to explain progress with implementing internal audit recommendations.
Does the audit committee hold periodic private discussions with the Head of Internal Audit?		No		This is included in the Committee's terms of reference. Members were given the option but this has not been taken up to date.
Is there appropriate cooperation between the internal and external auditors?	Yes			Yes with the Audit Commission.
Does the audit committee review the adequacy of internal audit staffing and other resources?	Yes			Benchmarking results have been reported to committee in the past.
Has the audit committee evaluated whether its internal audit service complies with the Public Sector Internal Audit Standards?	Yes			External Audit would report any non-compliance to Audit Committee. Head of Internal Audit also carries out a self-assessment against the standards.

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<b>INTERNAL AUDIT cont.</b>				
Are internal audit performance measures monitored by the audit committee?	Yes			Performance against plan is reported to Audit Committee. However, Members may wish to consider whether they would like more performance information provided.
Has the audit committee considered the information it wishes to receive from internal audit?	Yes			Included in terms of reference.
Do the external auditors present and discuss their audit plans and strategy with the audit committee (recognizing the statutory duties of external audit)?	Yes			External Audit's plan is presented to Audit Committee.
Does the audit committee hold periodic private discussions with the external auditor?		No		Same as for Internal Audit – offered but not taken up by Audit Committee to date.
Does the audit committee review the external auditor's annual report to those charged with governance?	Yes			External Auditor's report presented to Audit Committee.
Does the audit committee ensure that officers are monitoring action taken to implement external audit recommendations?	Yes			
Are reports on the work of external audit and other inspection agencies presented to the committee, including the Audit Commission's annual audit and inspection letter?	Yes			Yes for External Audit i.e. annual audit and inspection letter. However, limited reporting of other inspection agencies.
Does the audit committee assess the performance of external audit?		No		Not formally but reviews regular progress reports.
Does the audit committee consider and approve the external audit fee?	Yes			This is included in the External Audit's plan that is presented to Audit Committee.
<b>ADMINISTRATION</b>				
<b>Agenda management</b>				
Does the audit committee have a designated secretary from Committee/Member Services?	Yes			Steve Jones (Senior Committee Clerk).
Are agenda papers circulated in advance of meetings to allow adequate preparation by audit committee members?	Yes			Within prescribed timescales.
Are outline agendas planned one year ahead to cover issues on a cyclical basis?	Yes			Outline agenda submitted with terms of reference approved in 2007. Regularly reviewed – agenda item for June 2014.
Are inputs for Any Other Business formally requested in advance from committee members, relevant officers, internal and external audit?	Yes			
<b>Papers</b>				
Do reports to the audit committee communicate relevant information at the right frequency, time, and in a format that is effective?	Yes			
Does the audit committee issue guidelines and/or a pro-forma concerning the format and content of the papers to be presented?	Yes			Papers are in the Council approved format.
<b>Actions Arising</b>				
Are minutes prepared and circulated promptly to the appropriate people?	Yes			
Is a report on matters arising made and minuted at the audit committee's next meeting?	Yes			
Do action points indicate who is to perform what and by when?	Yes			