

DECISION-MAKER:	AUDIT COMMITTEE		
SUBJECT:	SELF ASSESSMENT OF THE EFFECTIVENESS OF THE AUDIT COMMITTEE		
DATE OF DECISION:	27 th MARCH 2008		
REPORT OF:	CHIEF INTERNAL AUDITOR		
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STATEMENT OF CONFIDENTIALITY

None

SUMMARY

Good practice guidance set out by CIPFA in its 'Toolkit for Local Authority Audit Committees', recommends that Audit Committees periodically review their own effectiveness in discharging their responsibilities.

A self assessment against the toolkit has been carried out by the Chair of the Audit Committee, supported by the Executive Director of Resources and the Chief Internal Auditor.

The self assessment confirms that this Audit Committee complies with recommended good practice in the vast majority of areas. It also highlights some areas where further action could be taken to improve the Committee's effectiveness.

RECOMMENDATIONS:

- (i) The Audit Committee is invited to discuss the issues raised by the self assessment and to agree the actions to be taken to further improve the Committee's effectiveness.

REASONS FOR REPORT RECOMMENDATIONS

1. Under the Accounts and Audit Regulations 2003 (as amended 2006) the Council is required to review the effectiveness of its system of internal audit each year. Good practice guidance set out by CIPFA in its 'Toolkit for Local Authority Audit Committees', recommends that Audit Committees periodically review their own effectiveness in discharging their responsibilities.

CONSULTATION

2. Consultation has taken place with the Chair of the Audit Committee and the Executive Director of Resources in completion of the self assessment.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. None

DETAIL

4. The Audit Committee was established within the Council in December 2006 in response to the CIPFA publication 'Audit Committees – Practical Guidance for Local Authorities'. The Committee has now been in operation

for over a year and it is an opportune time to review its arrangements to evaluate whether they remain sufficiently comprehensive of whether further actions can be taken to improve the Committee's effectiveness.

5. In 2006, CIPFA produced a 'Toolkit for Local Authority Audit Committees', intended to provide a more detailed set of advice, give examples and suggest good practice in the establishment and operation of an audit committee. The publication provides a self assessment checklist, against which a desk top review has been conducted by the Chair of the Audit Committee, supported by the Executive Director of Resources and the Chief Internal Auditor.
6. The completed checklist is attached as an appendix to this report and details the suggested actions to be taken in response to the areas for improvement identified.

FINANCIAL/RESOURCE IMPLICATIONS

Capital

7. None

Revenue

8. None

Property

9. None

Other

10. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

11. The Accounts and Audit (Amendment) (England) Regulations 2006 require the Council to 'maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control'.

Other Legal Implications:

12. None

POLICY FRAMEWORK IMPLICATIONS

13. None

SUPPORTING DOCUMENTATION

Appendices

1.	Audit Committee Self Assessment Checklist
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Documents In Members' Rooms

1.	None
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Background Documents

Title of Background Paper(s)

Relevant Paragraph of the
Access to Information
Procedure Rules / Schedule
12A allowing document to be
Exempt/Confidential (if
applicable)

1.	None	
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Background documents available for inspection at: N/A

FORWARD PLAN No: N/A

KEY DECISION? NO

WARDS/COMMUNITIES AFFECTED: N/A