

Preliminary findings against the NAO “Audit Committee Self-Assessment Checklist”

Good Practice Principle	Description*	Preliminary Conclusion	Recommended actions
1. The Role of the Audit Committee	The Audit Committee should support the Council and the Chief Finance Officer by reviewing the comprehensiveness of assurances in meeting the Council's assurance needs and reviewing the reliability and integrity of these assurances	Complies with most of the suggested good practice	The Audit Committee should annually review its effectiveness and monitor the implementation of agreed actions for improvement. The Audit Committee's terms of reference should be reviewed and updated annually.
2. Membership, Understanding, Independence, Objectivity and Understanding	The Audit Committee should be independent and objective, in addition, each member should have a good understanding of the objectives and priorities of the organisation and of their role as an Audit Committee member	Complies with most of the suggested good practice	The overlap between membership of the Audit Committee and the Resources and Performance Committee should be minimised as far as possible.
3. Skills	The Audit Committee should collectively possess an appropriate skills mix to perform its functions well	Complies with most of the suggested good practice	An induction checklist should be produced for new members of the Audit Committee. There should be an annual review of the training and development needs of Audit Committee members.
4. Scope of work	The scope of the Audit Committee's work should be defined in its Terms of Reference and encompass all the assurance needs of the Authority and Chief Finance Officer. Within this, the Audit Committee should have particular engagement with the work	Complies with most of the suggested good practice	There should be a formal review with member involvement of the effectiveness of Internal Audit this year. There should be a review of the effectiveness of anti-fraud and corruption activity and

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	of Internal Audit, the work of the External Auditor, and Financial Reporting issues.		whistleblowing strategy this year.
5. Communication	The Audit Committee should ensure it has effective communication with the full Authority, the Head of Internal Audit, the External Auditor and other stakeholders.	Complies with most of the suggested good practice	There should be a written Annual Report of the Audit Committee to full Authority and this should provide assurances on key governance and control issues.
The Role of the Chair	The Chair of the Audit Committee has particular responsibility for ensuring that the work of the Audit Committee is effective that the Committee is appropriately resourced, and that it is maintaining effective communication with stakeholders	Complies with most of the suggested good practice	<p>Consideration should be given to whether performance of members on the Audit Committee should be appraised.</p> <p>There should be formal agreement by the Chair to the agenda for each meeting.</p>
Committee support	The Audit Committee should be provided with appropriate administrative support to enable it to be effective. This is more than a minute-taking function – it involves providing proactive support for the work of the Committee, and helping its members to be effective in their role.	Complies with all of the suggested good practice (note provided both by Member Services and directly by the Chief Finance Officer)	None identified

* terminology adjusted for “local government” bodies where appropriate