

25TH JUNE 2007

REPORT OF THE DIRECTOR OF RESOURCES

Portfolio: STRATEGIC LEADERSHIP

PROPOSED TRAINING FOR MEMBERS OF THE COMMITTEE

1. SUMMARY

- 1.1 In order for the Audit Committee to be fully effective, it is essential that training be provided to allow Members to obtain some further detailed knowledge and increased awareness of issues that will be brought to the Committee for consideration.
- 1.2 As there has been a change in the membership of the Committee following the Elections in May 2007 it will therefore be necessary to arrange for suitable training to be organised.
- 1.3 There are a number of options available to facilitate appropriate training and these are described with the report, together with a suggested time scale within which training should be provided.

2. RECOMMENDATION

- 2.1 That the appropriate officers of the Council and the Audit Commission arrange for suitable training to be provided in conjunction with the Chair and Vice-Chair of the Committee.

3. DETAIL

- 3.1 The report, which the Council approved on 19th May 2006 (Minute C.6/06 refers) to establish this Committee, referred to guidance that had been issued by the Chartered Institute of Public Finance and Accountancy (CIPFA).
- 3.2 The guidance issued by CIPFA did recommend that Members of an Audit Committee should be properly trained to fulfil their role and to ensure that the Committee will be fully effective.
- 3.3 There are a number of ways in which training can be provided to Members.

External Provision

There are a growing number of consultants who provide (usually) a day-long course at various locations throughout the country on a regular basis which has a pre-determined content. The costs normally associated with this type of training are typically £400 per day, per member. In addition there are the costs of getting to the venue, as well as accommodation costs, depending upon the location and length of the course.

Some consultants are also willing to provide training locally and will tailor the training to take into account any specific requirements of a local authority and its members. There is a minimal cost of approx. £1,200 plus the cost of the consultant travelling to the appropriate venue as well as the potential of overnight accommodation costs also being incurred.

Internal Provision

The Council's officers, together with Audit Commission staff, could provide some training within Council owned premises, which could be tailored to the requirements of the Members of the Committee.

Alternatively a mix of internal and external training could be provided.

- 3.4 It is suggested that officers from the Council and the Audit Commission prepare a Training Programme for consideration, by the Chair and Vice-Chair of this Committee, to be arranged preferably prior to the next meeting of the Committee on the 29th October 2007, taking into account the Role and Functions of the Committee
- 3.5 It is envisaged that, over time, the training could encompass the areas identified in Appendix 1 to this report.
- 3.6 Members may also wish to identify other relevant training that they consider relevant.

Electronic Documents

- 3.7 Access to relevant websites and publications may also assist Members gain a fuller appreciation of the areas of responsibilities the Committee has, for example the Council has a subscription with the Chartered Institute of Public Finance and Accountancy (CIPFA) for all members and staff to access <http://www.tisonline.net>. There is a simple registration process to access information about Local Authority Accounting, Internal Audit, Budgeting, Contract Management, Capital, Procurement, Financial Management and Governance, Risk Management and Insurance, Charging, Council Tax, Housing and VAT.
- 3.8 Within the Internal Audit Section of the website, an electronic copy of CIPFA's publication "Audit Committee - Practical Guidance for Local Authorities" is available may assist members in gaining a greater appreciation of the role of the Committee as well their own role.

4. RESOURCE IMPLICATIONS

- 4.1 It will be necessary to make arrangements for a suitable venue to be booked and appropriate documents and online access to be made available.
- 4.2 The costs associated for Member training can be accommodated within the existing revenue budget for Member training.

5. CONSULTATION

- 5.1 The Chair and Vice-Chair will be consulted about the content and time scale of the training to be provided.

6. OTHER MATERIAL CONSIDERATION

6.1 **Links to Corporate Objectives/Values**

The provision of appropriate training to Members will maximise the potential effectiveness of the Committee and demonstrate that the Council is being

- Responsible with and accountable for public finances

6.2 **Risk Management**

If Members do not receive appropriate training, the Committee may not effectively undertake its role and carry out its responsibilities

6.3 **Health and Safety**

No additional implications have been identified.

6.4 **Equality and Diversity**

No material considerations have been identified.

6.5 **Legal and Constitutional**

There are no legal or constitutional issues arising from this report.

6.6 **Overview and Scrutiny Implications**

There are no Overview and Scrutiny implications.

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Ward(s):

Not Ward Specific

Background Papers:

The Implications of the Establishment of an Audit Committee:

- Report to Cabinet 13/4/06
- Report to Standards Committee 5/5/06

Establishment of an Audit Committee:

- Report to Council 19/5/06

Examination by Statutory Officers:

	Yes	Not Applicable
1. The report has been examined by the Council's Head of the Paid Service or his representative.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. The content has been examined by the Council's S.151 Officer or his representative.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. The content has been examined by the Council's Monitoring Officer or his representative.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. Management Team has approved the report.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

AUDIT COMMITTEE
POTENTIAL TRAINING AREAS

1. Role of Internal Audit
2. Role of Audit Commission
3. Purpose of Risk Management.
4. Performance Management Arrangements.
5. Appreciation of Content of the Statement of Accounts.
6. Statement on the System of Internal Control and Corporate Governance
7. Prevention of Fraud and Corruption Arrangements
8. Partnership Arrangements.
9. Efficiency Agenda/Value for Money Arrangements.
10. Procurement Arrangements.
11. Data Quality Arrangements.
12. CPA Use of Resources Requirements
13. Financial Procedure Rules.
14. Contract Procedure Rules..
15. National Fraud Initiative Data Matching.
16. Business Continuity Arrangements.
17. Prevention of Money Laundering.
18. Treasury Management Arrangements