

Audit Committee
16 March 2017
Minute/Recommendation to S&R

43. Audit Task and Finish Update- Role and Effectiveness of the Audit Committee

The report was presented by Alix Wilson, Head of the South West London Audit Partnership (SWLAP), who had facilitated the Task and Finish Group.

Members asked how the functioning of the Committee might change. The Head of SWLAP advised that more focus could be placed on the effective and timely implementation of internal audit recommendations. Members could invite senior officers to attend Audit Committee meetings to provide additional explanation and assurance where recommendations were not implemented in line with agreed timescales. The Committee could also seek assurance about measures being taken to mitigate specific risks.

Officers clarified that reference in Appendix D to compliance with professional standards related to, for example, CIPFA treasury management standards and similar guidance from professional bodies. It was confirmed that a questionnaire had been sent to all Members regarding the functions of the Audit Committee but that no responses were received.

Councillor Broadbent asked where CIPFA recommend that Audit may function better as a stand alone committee. The Head of SWLAP advised that this is in the guidance and position statement. However, she confirmed that it was common for the audit function to be discharged by a committee with a wider remit. It was confirmed in the event of a change in the committee structure at the London Borough of Sutton the audit committee functions would be assigned to a committee, possibly combined with other functions.

The Head of SWLAP advised Members that a shared training needs document had been prepared which set out the knowledge and skills requirements for audit committee members. This would assist committee members in identifying any knowledge and skills gaps. The document would be made available to audit members for completion, to inform the content of future Member development sessions. Councillor Davey suggested this should be taken forward irrespective of which committee would have responsibility for the audit function in the future. The Chair, Councillor Hicks, suggested this approach may be useful to share with other committees such as scrutiny and pensions. Finally, Councillor Hicks requested that feedback on the decision-making process of the new committee be presented to Audit Committee once discussions are concluded.

A motion was moved by Councillor Broadbent and seconded by Councillor Burke to amend the wording of the first recommendation of the report to “Endorse the findings of the report, including the recommendations as contained in Appendix A and the terms of reference in Appendix D” and Members agreed.

RESOLVED: that

1. The findings of the report be endorsed, including the recommendations as contained in Appendix A and the terms of reference in Appendix D.
2. It be recommended to Strategy and Resources Committee to have regard to the findings when considering any future proposed changes to the functions of the Audit Committee or any successor Committee.

(Note: the Strategy and Resources Committee are asked to recommend the proposed revised recommendations as set out in Appendix D as a constitutional change to Council.)