



Self-Assessment of Audit Committee Individual Training Needs

1. CORE AREAS OF KNOWLEDGE

KNOWLEDGE AREA	DETAILS OF CORE KNOWLEDGE REQUIRED	HOW THE AUDIT COMMITTEE MEMBER IS ABLE TO APPLY THAT KNOWLEDGE	SELF ASSESSMENT (KNOWLEDGE) (Please indicate with X in the relevant box)			Areas for Improvement	Proposed Actions
			YES	PARTLY	NO		
1. Organisational Knowledge	<p>An overview of the governance structures of the authority and decision-making processes.</p> <p>Knowledge of the organisational objectives and major functions of the authority.</p>						



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			YES	PARTLY	NO		
2. Audit Committee role and functions	An understanding of the audit committee's role and place within the governance structures. Familiarity with the committee's terms of reference and accountability arrangements Knowledge of the purpose and role of the audit committee						
3. Governance	Knowledge of the seven principles of the CIPFA/Solace Framework and the requirements of the AGS Knowledge of the local code of governance						
4. Internal Audit	An awareness of the key principles of the Public Sector Internal Audit Standards (PSIAS) and the Local Government Application Note (LGAN)						



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			YES	PARTLY	NO		
	Knowledge of the arrangements for delivery of the internal audit service in the authority and how the role of the head of internal audit is fulfilled.						
5. Financial Management and Accounting	<p>Awareness of the financial statements that a local authority must produce and the principles it must follow to produce them.</p> <p>Understanding of good financial management principles.</p> <p>Knowledge of how the organisation meets the requirements of the role of the CFO, as required by <i>The Role of the Chief Financial Officer in Local</i></p>						



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			YES	PARTLY	NO		
	Government (CIPFA, 2016)						
6. External Audit	<p>Knowledge of the role and functions of the external auditor and who currently undertakes this role.</p> <p>Knowledge of the key reports and assurances that external audit will provide</p> <p>Knowledge about arrangements for the appointment of auditors and quality monitoring undertaken</p>						



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			YES	PARTLY	NO		
7. Risk Management	<p>Understanding of the principles of risk management, including linkage to good governance and decision making</p> <p>Knowledge of the risk management policy and strategy of the organisation</p> <p>Understanding of risk governance arrangements including the role of members and of the audit committee.</p>						



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			YES	PARTLY	NO		
8. Counter Fraud	<p>An understanding of the main areas of fraud and corruption risk to which the organisation is exposed</p> <p>Knowledge of the principles of good fraud risk management practice in accordance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014)</p>						
9. Values of good governance	<p>Knowledge of the Seven Principles of Public Life</p> <p>Knowledge of the authority's key arrangements to uphold ethical standards for both members and staff</p> <p>Knowledge of the whistleblowing</p>						

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			YES	PARTLY	NO		
	arrangements in the authority						
10. Treasury Management (If within the Terms of Reference of the Committee to provide Scrutiny).	<p>Effective Scrutiny of Treasury Management is an assessment tool for reviewing the arrangements for undertaking scrutiny of treasury management. The key knowledge areas are:</p> <ul style="list-style-type: none"> • Regulatory requirements • Treasury risks • The organisation’s treasury management strategy • The organisation’s policies and procedures in relation to treasury management 						

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2. CORE SKILLS

SKILLS	KEY ELEMENTS	HOW THE AUDIT COMMITTEE MEMBER IS ABLE TO APPLY THE SKILL	SELF ASSESSMENT (SKILLS) (Please indicate with X in the relevant box)			TRAINING REQUIREMENTS	
			YES	PARTLY	NO		
Strategic thinking and understanding of materiality	Able to focus on material issues and overall position, rather than being side tracked by detail.						
Questioning and constructive challenge	Able to frame questions that draw out relevant facts and explanations Challenging performance and seeking explanations while avoiding hostility or grandstanding						
Focus on Improvement	Ensuring there is a clear plan of action and allocation of responsibility.						



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			YES	PARTLY	NO		
Able to balance practicality against theory	Able to understand the practical implications of recommendations to understand how they might work in practice.						
Clear communication skills and focus on the needs of users	Support the use of plain English in communications , avoiding jargon, acronyms, etc.						
Objectivity	Evaluate information on the basis of evidence presented and avoiding bias or subjectivity						
Meeting Management skills	Chair the meetings effectively: Summarise issues raised, ensure all participants are able to contribute, focus on the outcome and actions from the meeting.						



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3. ADDITIONAL SPECIALIST KNOWLEDGE

The CIPFA guidance also makes reference to areas of specialist knowledge that will add value to the audit committee e.g. Accountancy, Internal Audit, IT systems and governance. As this area of the guidance is more aligned to the recruitment of independent members it has not been included within this self-assessment document. The CIPFA guidance also applies to Police bodies who are required to have an audit committee. It is common practice to have independent non-executive directors on a Police committee and they are often recruited with particular specialisms.

Whilst not considered to be a core requirement, collation of such information may be considered at a future date to assist in demonstrating added value in relation to the work undertaken by the Audit & Governance Committee. Additional specialist knowledge in these areas may assist in enhancing engagement between lay members and officers and improving understanding around the risks and challenges within service areas.

SUMMARY ACTION PLAN

Ref:	Action	Assigned to:	Timescale
1.	<p>Introduced a formalised Member Induction Programme to include</p> <p>For all members :</p> <ul style="list-style-type: none">• Organisational Knowledge• Governance• Strategic thinking and understanding of materiality• Questioning and constructive challenge• Meeting Management Skills <p>For Audit & Governance committee members</p>		



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	<ul style="list-style-type: none"> • Organisational Knowledge – <i>(Additional focus on how the Audit & Governance Committee fits into the Governance structure)</i> • Audit Committee Role & Functions • Governance • Internal Audit (PSIAS, Internal Audit protocol) • Financial Management & Accounting • External Audit • Risk Management • Counter Fraud • Treasury Management 		
2.	<p>Appointed members to be provided with copies or links to core documents that underpin the work of the committee before attending meetings.</p> <p>Review schedule of all Corporate Governance Policies and ensure members know how to access them if required.</p>		
3.	<p>Additional training sessions to be held 2-3 times per year to include:</p> <ul style="list-style-type: none"> ○ worked examples/case studies of Internal Audit reports and rationale for risk allocation; ○ where an issue has been raised within the authority, walkthrough of action taken and how it is reported through the governance framework. 		



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	<ul style="list-style-type: none"> ○ Risk Management- how risks are managed and understanding the risk management reports, assurance framework. ○ Finance and Treasury Management 		
3.	Consideration to be given to issuing Higher risk (Grade 3) reports to members of the Audit & Governance Committee (outside of papers – not public documents)		
4.	Members of the A & G Committee to have the opportunity to meet with both the Internal Audit Manager and External Audit Manager twice a year, outside of the Committee cycle.		
5.	Terms of reference (TOR) to be reviewed and updated in line with the CIPFA recommended TOR.		
6.	Consideration to be given to improving accessibility and insight regarding other committees (e.g. web casting)		
7.	The Committee should be held to account and an Annual Report produced to facilitate this		
8.	Undertake a self assessment and skills audit on a regular basis		