

AUDIT & RISK COMMITTEE

16 April 2013

PUBLIC SECTOR INTERNAL AUDIT STANDARDS TRAINING & SUPPORT FOR MEMBERS

Report of the Head of Welland Internal Audit Consortium

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1. PURPOSE OF THE REPORT

- 1.1 To inform Members of work in hand to develop and deliver training and other support relating to the Public Sector Internal Audit Standards. To obtain views of Members about the preferred arrangements for training delivery.

2. RECOMMENDATIONS

- 2.1 **That Members note the report and comment on the proposed support; on the proposed training opportunities; on other areas of training that might be of potential value to individual Members and/or the Committee as a whole; and on the scheduling of training.**

3. KEY ISSUES

- 3.1 The Committee has already been advised that the Standards introduce new responsibilities for, and expectations about the performance of, the Committee and the Committee's Chair. The Committee will also be aware that the issue of training has been raised at the other Welland "Audit Committees" and that discussions are taking place with relevant Committee Chairs about perceived training needs and scope for jointly procuring that training through the Consortium.

- 3.2** It is anticipated that Members will need focused training on issues key to the proper operation of an “Audit Committee” more information about relevant concepts such as: the meaning of risk; the meaning of assurance and possible sources of assurance; and what constitutes an effective control and an effective control framework. Appendix A (i) sets out a schedule of training presentations that might plausibly be delivered in advance of scheduled meetings of Committee and could have the effect of better equipping Members to discharge their responsibilities. Alternatively, Members might wish to have all of the presentations delivered within a single workshop.
- 3.3** It is also anticipated that more extensive training will be required if Members are to develop the capacity to apply the various concepts so that the Committee can, independently and objectively, evaluate the quality of the work undertaken by internal audit and the reliance that the Council can place on the assurance provided. Such training would need to be delivered through workshops – and added value might be achieved if such workshops could be arranged jointly with some or all of the Welland Audit Committees. Appendix A (ii) outlines possible workshop topics.
- 3.4** One possible support mechanism, that could operate in parallel with and support of training, would be a documented evaluation framework setting out the issues about which the Committee would – if it were discharging its responsibilities properly – wish to satisfy itself when considering reports of internal audit. The Committee should not have a review method imposed upon them; rather they should be involved in developing the framework themselves. It is likely that this could best be achieved by the Chairs of the Welland Audit Committees working together, with advice from internal audit. This might also support the development of the Chairs’ capacity to work to the new Standards.

4. CONCLUSIONS

- 4.1** The new Standards require the Committee to play a more active and informed role in providing the Council with the assurance that it requires. If the Committee is to discharge that role effectively, Member engagement in focused and appropriate training is essential.

5. RISK MANAGEMENT

RISK	IMPACT	COMMENTS
Time	Low	The report does not prompt or require any time-bound response
Viability	Low	There are no resourcing issues arising
Finance	Low	There are no financial issues arising
Profile	Low	The report should improve the effectiveness of the Committee
Equality and Diversity	Low	EIA screening indicates no issues arising therefore full Impact Assessment has not been carried out.

Background Papers
None

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