

Audit Committee Development Plan

1. Executive Summary

1.1 This report provides summary an update of progress with Development Plan action points.

1.2 A number of actions point were identified arising from the Committee's effectiveness session prior to the March Audit Committee and these are noted below together with progress to date.

1. **Emphasise role of Internal Audit/Audit Committee:** Definition of Internal Audit or Role of Audit Committee to be included as watermark on report covers. The CIPFA diagram on Governance Risk and Internal Control will now be shown within Internal Audit Reports. Appendix 1 details the diagram.

2. **Scrutiny Follow up:** Development of protocols / links to Scrutiny Committee. A seminar on Scrutiny has taken place with members from both Audit and PRS committees in attendance. The respective chairs are in discussions with regards to developing working arrangements.

3. **Development of Materiality Matrix:** Development of indicative materiality matrix. A matrix is shown in Appendix 2

4. **Management attendance at committee protocol:** A standard protocol is now in place whereby Limited opinion rated reports require management representation at Audit Committee.

1.4 The remaining actions points are either on track or not scheduled. Appendix 3 details the Audit Committee Development Plan.

2. RECOMMENDATIONS

2.1 Members to note report and content of 15/16 Audit Committee development plan.

3 CONCLUSION

3.1 The Audit Committee development plan is a working document. All current action points are either complete, on track or not scheduled.

4. IMPLICATIONS

- 4.1 Policy – None
- 4.2 Financial – None directly however potential resource implication of additional internal audit work which may be offset by reduced external audit fee.
- 4.3 Personnel – None
- 4.4 Equal Opportunities – None
- 4.5 Legal – None.
- 4.6 Risk – None
- 4.7 Customer Service – None.

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Appendices

Appendix 1- CIPFA Governance Diagram

Appendix 2- Materiality Matrix

Appendix 3- Audit Committee Development Plan