

**Perth & Kinross Integration Joint Board
Audit and Performance Committee
2018/19 Self-Assessment Checklist**

A.	Role and remit		Comments/Action
1	Does the committee have written terms of reference?	Yes	
2	Do the terms of reference cover the core functions as identified in the <i>SG Audit and Assurance Committee Handbook</i> ?	Yes	
3	Are the terms of reference approved by the Audit and Assurance Committee and reviewed periodically?	Yes	The Terms of Reference were refreshed and agreed by the IJB on 30th November.
4	Has the committee been provided with sufficient membership, authority and resources to perform its role effectively and independently?	No	The Committee has struggled with the consistency and availability of its membership, particularly of its NHS members. The revised Terms of Reference now allow all members of the IJB to attend and contribute to meetings.
5	Does the body's governance statement mention the committee's establishment and its broad purpose?	Yes	
6	Does the committee periodically assess its own effectiveness?	Yes	The requirement for an Annual Report on the Audit and Performance Committee's effectiveness was included in the updated Terms of Reference.
B.	Membership, induction and training		Comments/Action
7	Has the membership of the committee been formally agreed by the management board and or Accountable Officer and a quorum set?	Yes	The quorum was recently reduced to three members with no requirement for a member to attend from each of the parent bodies. This was to ensure that meetings were able to take place when they would otherwise have had to be cancelled.
8	Are members appointed for a fixed term?	No	
9	Does at least one of the committee members have a financial background?	Yes	
10	Are all members, including the Chair, independent of the Executive function?	Yes	

11	Are new committee members provided with an appropriate induction?	No	There is no specific induction programme for members of the Audit and Performance Committee. Members have been offered external audit committee training and work is ongoing to design a programme of in-house induction and training. Training has been provided on specific issues such as risk.
12	Has each member formally declared his or her business interests?	Yes	
13	Are members sufficiently independent of the other key committees of the Board?		The Chair of the IJB is ineligible to sit on the Audit and Performance Committee in a voting capacity; the Vice Chair does not currently sit on the Committee as a member. Due to limited availability of members, the Chair of the Audit and Performance Committee chairs the Budget Review Group. Discussions are taking place so this is not necessary in future.
14	Has the committee considered the arrangements for assessing the attendance and performance of each member?	No	Attendance record to be provided at each meeting moving forward.
C. Meetings			Comments/Action
15	Does the committee meet regularly, at least four times a year?	Yes	
16	Do the terms of reference set out the frequency and broad timing of meetings?	Yes	
17	Does the committee calendar meet the body's business and governance needs, as well as the requirements of the financial reporting calendar?	Yes	
18	Are members attending meetings on a regular basis and if not, is appropriate action taken?	No	Attendance of members has been irregular. Membership has been reviewed and matters of quoracy addressed. All members of the IJB are now able to attend and participate in Audit and Performance Committee meetings.

19	Does the Accountable Officer attend all meetings and, if not, is he/she provided with a record of discussions?	Yes	
20	Does the committee have the benefit of attendance of appropriate officials at its meetings, including representatives from internal audit, external audit and finance?	Yes	
D.	Internal control		Comments/Action
21	Does the committee consider the findings of annual reviews by internal audit and others, on the effectiveness of the arrangements for risk management, control and governance?	Yes	
22	Does the committee consider the findings of reviews on the effectiveness of the system of internal control?	Yes	
23	Does the committee have responsibility for review of the draft governance statement and does it consider it separately from the accounts?	Yes	
24	Does the committee consider how accurate and meaningful the governance statement is?	Yes	
25	Does the committee satisfy itself that the arrangements for risk management, control and governance have operated effectively throughout the reporting period?	Yes	
26	Has the committee considered how it should coordinate with other committees that may have responsibility for risk management and corporate governance?	Yes	The IJB receives governance statements from both its parent bodies and give assurance to both its parent bodies through its annual governance statement. Once discussed by the Audit and Performance Committee, the risk management framework was recommended to the IJB for approval.
27	Has the committee satisfied itself that the body has adopted appropriate arrangements to counter and deal with fraud?	Yes	
28	Has the committee been made aware of the role of risk management in the preparation of the internal audit plan?	Yes	
29	Does the committee's terms of reference include oversight of the risk management process?	Yes	

30	Does the committee consider assurances provided by senior staff?	Yes	
31	Does the committee receive and consider stewardship reports from senior staff in key business areas such as Finance, HR and ICT?	Yes	
E.	Financial reporting and regulatory matters		Comments/Action
32	Is the committee's role in the consideration of the annual accounts clearly defined?	Yes	
33	Does the committee consider, as appropriate:	Yes	
a	<ul style="list-style-type: none"> the suitability of accounting policies and treatments 	Yes	
b	<ul style="list-style-type: none"> major judgements made 	Yes	
c	<ul style="list-style-type: none"> large write-offs 	Yes	
d	<ul style="list-style-type: none"> changes in accounting treatment 	Yes	
e	<ul style="list-style-type: none"> the reasonableness of accounting estimates 	Yes	
f	<ul style="list-style-type: none"> the narrative aspects of reporting? 	Yes	
34	Is a committee meeting scheduled to receive the external auditor's report to those charged with governance including a discussion of proposed adjustments to the accounts and other issues arising from the audit?	Yes	
35	Does the committee review management's letter of representation?	Yes	
36	Does the committee gain an understanding of management's procedures for preparing the body's annual accounts?	No	
37	Does the committee have a mechanism to keep it aware of topical legal and regulatory issues?	No	
F.	Internal Audit		Comments/Action
38	Does the Head of Internal Audit attend meetings of the committee?	Yes	
39	Does the committee consider, annually and in detail, the internal audit plan including consideration of whether the scope of internal audit work addresses the body's significant risks?	Yes	
40	Does internal audit have a direct reporting line, if required, to the committee?	Yes	

41	As well as an annual report from the Head of Internal Audit, does the committee receive progress reports from internal audit?	Yes	
42	Are outputs from follow-up audits by internal audit monitored by the committee and does the committee consider the adequacy of implementation of recommendations?	Yes	
43	If considered necessary, is the committee chair able to hold private discussions with the Head of Internal Audit?	Yes	
44	Is there appropriate co-operation between the internal and external auditors?		This is unclear and something the Committee should consider.
45	Does the committee review the adequacy of internal audit staffing and other resources?	Yes	This is reviewed at set intervals and when the Chair or the Committee members deem necessary
46	Are internal audit performance measures monitored by the committee?	No	
47	Has the committee considered the information it wishes to receive from internal audit?	No	
48	Has the committee considered formal terms of reference defining internal audit's objectives, responsibilities, authority and reporting lines?	No	
G.	External audit		Comments/Action
49	Does the external audit representative attend meetings of the committee?	Yes	For Annual Account purposes.
50	Do the external auditors present and discuss their audit plans and strategy with the committee (recognising the statutory duties of external audit)?	Yes	
51	Does the committee chair hold periodic private discussions with the external auditor?	No	
52	Does the committee review the external auditor's annual report to those charged with governance?	Yes	
53	Does the committee ensure that officials are monitoring action taken to implement external audit recommendations?	Yes	
54	Are reports on the work of external audit presented to the Audit and Assurance Committee?	Yes	
55	Does the committee assess the performance of external audit?	No	

56	Does the committee consider the external audit fee?	No	
H. Administration			Comments/Action
57	Does the committee have a designated secretariat?	Yes	
58	Are agenda papers circulated in advance of meetings to allow adequate preparation by committee members and attendees?	Yes	This is generally the case. There are some instances where papers have been late for various reasons but this has been avoided when at all possible.
59	Do reports to the committee communicate relevant information at the right frequency, time, and in a format that is effective?	Yes	In terms of audit, governance and risk functions, this is now appropriate and effective.
60	Does the committee issue guidelines and/or a pro forma concerning the format and content of the papers to be presented?	Yes	
61	Are minutes prepared and circulated promptly to the appropriate people, including all members of the Board?	No	Minutes are brief and are not circulated until the papers are released for the next meeting. Discussions have taken place on making the minutes a more detailed record of the discussion that took place. Draft minutes should be released more quickly following each meeting.
62	Is a report on matters arising presented or does the Chair raise them at the committee's next meeting?	Yes	Matters arising are either discussed following the minutes or are addressed in the action points update or the transforming governance action plan update.
63	Do action points indicate who is to perform what and by when?	Yes	
64	Does the committee provide an effective annual report on its own activities?	Yes	
I. Overall			Comments/Action
65	Does the committee effectively contribute to the overall control environment of the organisation?		The Committee has made significant progress over the course of the year, including in its risk management functions.

66	Are there any areas where the committee could improve upon its current level of effectiveness?		The Committee needs to improve its effectiveness in a number of key areas, particularly in relation to its performance-monitoring responsibilities and its assessment of internal audit functions.
67	Does the committee seek feedback on its performance from the Board and Accountable Officer?	Yes	