

## Self-assessment of Good Practice – Appendix 1

This appendix provides a high-level review that incorporates the key principles set out in CIPFA's Position Statement: Audit Committees in Local Authorities and Police (2018 Edition). Where an audit committee has a high degree of performance against the good practice principles then it is an indicator that the committee is soundly based and has in place a knowledgeable membership. These are the essential factors in developing an effective audit committee.

A regular self-assessment can be used to support the planning of the audit committee work programme and training plans. It can also inform an annual report.

Good practice questions	Yes	Partly	No	Action
<b>Audit committee purpose and governance</b>				
1 Does the authority have a dedicated audit committee?	√			
2 Does the audit committee report directly to full council? (Applicable to local government only.)			√	Details of sub Committees are already shared with Members – no further action required.
3 Do the terms of reference (ToR) clearly set out the purpose of the committee in accordance with CIPFA's Position Statement?	√			The ToR for the Committee was revised in December 2018 and included within the Council's Constitution. The Purpose of the committee is aligned to CIPFA's position statement contained within the latest guidance
4 Is the role and purpose of the audit committee understood and accepted across the authority?	√			
5 Does the audit committee provide support to the authority in meeting the requirements of good governance?	√			
6 Are the arrangements to hold the committee to account for its performance operating satisfactorily?	√			The ToR updated to includes the requirement for the Committee to publish an annual report on its work including its performance in relation to the ToR and its effectiveness in meeting its purpose. This requirement is incorporated into the

## Appendix 1

Good practice questions	Yes	Partly	No	Action
				annual work programme.
<b>Functions of the committee</b>				
7 Do the committee's terms of reference explicitly address all the core areas identified in CIPFA's Position Statement?				
<ul style="list-style-type: none"> <li>■ good governance</li> </ul>	√			
<ul style="list-style-type: none"> <li>■ assurance framework, including partnerships and collaboration arrangements</li> </ul>	√			The revised ToR makes explicit reference to partnerships and collaboration arrangements.
<ul style="list-style-type: none"> <li>■ internal audit</li> </ul>	√			
<ul style="list-style-type: none"> <li>■ external audit</li> </ul>	√			
<ul style="list-style-type: none"> <li>■ financial reporting</li> </ul>	√			
<ul style="list-style-type: none"> <li>■ risk management</li> </ul>	√			
<ul style="list-style-type: none"> <li>■ value for money or best value</li> </ul>	√			The revised ToR makes explicit reference to VfM.
<ul style="list-style-type: none"> <li>■ counter-fraud and corruption</li> </ul>	√			The revised ToR makes explicit reference to Counter Fraud.
<ul style="list-style-type: none"> <li>■ Supporting the ethical framework</li> </ul>	√			The revised ToR makes explicit reference to supporting the ethical framework.
8 Is an annual evaluation undertaken to assess whether the committee is fulfilling its terms of reference and that adequate consideration has been given to all core areas?		√		The first annual report was produced 2021. Work continues to review the contents of the report to ensure that it demonstrates good practice.
9 Has the audit committee considered the wider areas identified in CIPFA's Position Statement and whether it would be appropriate for the committee to undertake them?	√			This was included in the revision of the ToR .
10 Where coverage of core areas has been found to be limited, are plans in place to address this?	√			Actions arising from this latest self - assessment process have been included within Appendix 1 and 2.
11 Has the committee maintained its non-advisory role by not taking on any decision-	√			

Good practice questions	Yes	Partly	No	Action
making powers that are not in line with its core purpose?				
<b>Membership and support</b>				
<p>12 Has an effective audit committee structure and composition of the committee been selected?</p> <p>This should include:</p> <ul style="list-style-type: none"> <li>■ separation from the executive</li> <li>■ an appropriate mix of knowledge and skills among the membership</li> <li>■ a size of committee that is not unwieldy</li> <li>■ consideration has been given to the inclusion of at least one independent member (where it is not already a mandatory requirement)</li> </ul>	√			Provision has been made within the ToR to appoint an independent member to the Audit & Standards Committee, if CIPFA guidance on committee membership is adopted.
13. Have independent members appointed to the committee been recruited in an open and transparent way and approved by the full council.			√	N/A – Members have previously stated that this is an option that they did not wish to approve at this stage. Will review should guidance change.
14 Does the chair of the committee have appropriate knowledge and skills?	√			
15 Are arrangements in place to support the committee with briefings and training?	√			Committee briefings provided where required in relation to the nature of agenda items e.g., Final Accounts training/ induction for new Committee Members.
16 Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory?		√		To consider the use of the CIPFA matrices to assist in the identification of training needs. Appointment to the Committee is determined by the Leader.
17 Does the committee have good working relations with key people and organisations, including external audit, internal audit, and the chief financial officer?	√			
18 Is adequate secretariat and administrative support to the committee provided?	√			

## Appendix 1

Good practice questions	Yes	Partly	No	Action
<b>Effectiveness of the committee</b>				
19 Has the committee obtained feedback on its performance from those interacting with the committee or relying on its work?	√			
20 Are meetings effective with a good level of discussion and engagement from all the members?	√			
21 Does the committee engage with a wide range of leaders and managers, including discussion of audit findings, risks, and action plans with the responsible officers?	√			
22 Does the committee make recommendations for the improvement of governance, risk and control and are these acted on?	√			Where relevant, the Chair of the Committee has written letters to Cabinet Leads regarding improvements needed to governance, risk, and control matters
23 Has the committee evaluated whether and how it is adding value to the organisation?	√			Achieved through the self-evaluation of its effectiveness and considered to be satisfactory.
24 Does the committee have an action plan to improve any areas of weakness?	√			Actions arising from this latest self - assessment process have been included within Appendices 1 and 2.
25 Does the committee publish an annual report to account for its performance and explain its work?	√			the first annual report was produced and published in 2021