



Committee and Date

Audit Committee

23rd November 2023

10:00am

Item

Public



Audit Committee Self Assessment 2023

Responsible Officer:	James Walton		
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Cabinet Member (Portfolio Holder):	Lezley Picton, Leader of the Council Brian Williams, Chairman of the Audit Committee Gwilym Butler, Portfolio Holder – Finance and Corporate Resources		

1. Synopsis

Shropshire Council’s Audit Committee aims to comply with the Chartered Institute of Public Finance and Accountancy’s guidance on the function and operation of audit committees. There is significant compliance with the code and an improvement plan to address partial compliance.

2. Executive Summary

- 2.1. Members are asked to review and comment on the self-assessment of good practice questionnaire attached to this report. The questionnaire allows members to assess the effectiveness of the Audit Committee and identify whether there are any further improvements that could be made which would improve its overall effectiveness. There are a few areas of partial compliance with good practice, these are identified to be considered and to have appropriate action taken.

3. Recommendations

Members are asked to:

- 3.1. Consider the self-assessment of good practice attached at **Appendix A and C**. Identify any errors or amendments required.

Report

4. Risk Assessment and Opportunities Appraisal

- 4.1. The Audit Committee has a key function in ensuring effective corporate governance, risk and control arrangements are in place within the Council. The effectiveness of the committee should be judged by the contribution it makes to, and beneficial impact it has on, the Council's business. A good standard of performance against recommended practice, together with a knowledgeable and experienced membership, are essential requirements which empower an effective Audit Committee. By reviewing effectiveness annually using a good practice self-assessment, it can be established that the Committee is demonstrating a high degree of performance, is soundly based, and has a knowledgeable membership unimpaired in any way. Completion of the self-assessment is essential and can also be used to support the planning of the Audit Committee work programme, its training plans and inform the Committee's annual report to Council.
- 4.2. The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998. There are no direct environmental, equalities or consultation consequences of this proposal.

5. Financial Implications

- 5.1. There are no financial implications in terms of reviewing the assessment, but any resulting activities may require funding if they are not already allowed for in the base budget.

6. Climate Change Appraisal

- 6.1. This report does not directly make decisions on energy and fuel consumption; renewable energy generation; carbon offsetting and mitigation; or on climate change adaption. Therefore, no effect to report.

7. Background

- 7.1. The Chartered Institute of Public Finance and Accountancy, CIPFA, produced guidance on the function and operation of audit committees; 'Audit Committees in Local Authorities and Police, 2022 edition'. The guidance represents CIPFA's view of best practice for Audit Committees in local authorities throughout the UK.
- 7.2. Shropshire Council has used this guidance to self-assess the Audit Committee against this recommended practice as an indicator of the Committee's effectiveness; following which any changes or improvements identified to enhance the Committee's performance should be managed. The updated 2022 guidance included a revised self-assessment which mirrored the original with some changes to the phrasing of the questions and the order in which they appear. **Appendices A and C** are the updated versions with the responses mapped across. **Appendix C** includes reference to the evidence support supporting compliance.

- 7.3. The Section 151 Officer and the Chief Audit Executive (CAE) have completed an initial review of the self-assessment, based on information from previous assessments and with knowledge of the Committee's compliance with recommended practices, for members to consider, discuss and amend as appropriate. Members consider the effectiveness of the Committee using the assessment model in detail at training sessions in both September and October of 2022. In preparation for 2023/24, the self-assessment has been updated and circulated to members for consideration prior to this meeting, attached as **Appendix A**. Changes are shown in blue text and underlined.
- 7.4. There have been no changes to membership since the previous training skill evaluations were completed and therefore no further updates are sought on these. Continued learning from the original training self-assessments is important and the data extracted continues to be used to inform training sessions and identify areas for continued improvement. Information from self-assessments is considered against ongoing requests from committee members in response to current topics.
- 7.5. Training sessions provided since October 2021 have included:
- Strategic Risk and Risk management.
 - Treasury Management.
 - Financial Management.
 - Resources Directorate and how the revised structure will help provide assurance on the internal control, risk management and governance environment of the Council.
 - People Directorate and how Adult and Children's Services are working to provide assurances on the internal control, risk management and governance environment of the Council.
 - Governance replacement for the Clinical Commissioning Group going forward and the Assurance processes for the Council.
 - Audit Committee effectiveness review
 - Climate change assurances required by the Committee.
 - Legal and Governance
 - Procurement
 - Service planning and Performance management
- 7.6. In addition to training sessions the following information has been shared with and between members:
- Guidance for audit committees on cloud services, NAO
 - Climate change risk, a good practice guide for audit and risk assurance committees, NAO
 - CIPFA, Audit Committee update, helping committees to be effective
 - CIPFA, Audit Committees, practical guidance, 2022 edition
- 7.7. **Appendix B** provides a summary from the self-assessment detailed above, showing the areas members have identified for future focus, refresh sessions and where training has been provided.
- 7.8. The Audit Committee training requirement was last reviewed in August 2021. This will be refreshed following Council elections in 2025.
- 7.9. Following the current review of the Audit Committee self-assessment of good practice, one area of partial compliance was identified and question 13 has now

been assessed as compliant given the appointment of the independent Audit Committee member in January 2023. The area of partial compliance is summarised below with the proposed actions to improve for members to consider as components in an action plan looking forward.

SAR ¹	Partial compliance	Proposed action
5	Do all those charged with governance and in leadership roles have a good understanding of the role and purpose of the committee?	Members continue to raise awareness as to the role and purpose of the Audit Committee and the value that can be added by all to improve governance, risk management and internal controls. Members can refer others to the Induction training of Audit and Members outside of the Audit Committee are welcome to attend training sessions where topics are beneficial to all.

Question 1: Do Members wish to make any adjustments to the self-assessment?

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

CIPFA: Audit Committees in Local Authorities and Police, 2022 edition

Local Member: N/A

Appendices

Appendix A - Self-assessment of good practice November 2023

Appendix B - Audit Committee – self assessment supporting information: Knowledge and Skills baseline assessment August 2021

Appendix B2 - Improvement plan for an effective Audit Committee to be refreshed annually in December

Appendix C - Self-assessment of good practice showing evidence

¹ SAR = Self-assessment reference

Appendix A: Self-assessment of Good Practice – November 2023

Good practice questions		Yes	Partly	No
Audit Committee purpose and governance				
1.	Does the authority have a dedicated audit committee that is not combined with other functions (e.g. standards, ethics, scrutiny)?	✓		
2.	Does the audit committee report directly to the governing body (PCC and chief constable/full council/full fire authority, etc)?	✓		
3.	Has the committee maintained its advisory role by not taking on any decision-making powers?	<u>✓</u>		
4.	Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's 2022 Position Statement?	✓		
5.	Do all those charged with governance and in leadership roles have a good understanding of the role and purpose of the committee?		✓	
6.	Does the audit committee escalate issues and concerns promptly to those in governance and leadership roles?	✓		
7.	Does the governing body hold the audit committee to account for its performance at least annually?	✓		
8.	Does the committee publish an annual report in accordance with the 2022 guidance, including: <ul style="list-style-type: none"> • compliance with the CIPFA Position Statement 2022 • results of the annual evaluation, development work undertaken and planned improvements • how it has fulfilled its terms of reference and the key issues escalated in the year? 	✓		

Good practice questions		Yes	Partly	No
Functions of the committee				
9.	Do the committee's terms of reference explicitly address all the core areas identified in CIPFA's Position Statement as follows?			
	Governance arrangements	✓		
	Risk management arrangements	✓		
	Internal control arrangements, including: <ul style="list-style-type: none"> • financial management • value for money • ethics and standards • counter fraud and corruption 	✓		
	Annual governance statement	✓		
	Financial reporting	✓		
	Assurance framework	✓		
	Internal audit	✓		
	External audit	✓		
10.	Over the last year, has adequate consideration been given to all core areas?	✓		
11.	Over the last year, has the committee only considered agenda items that align with its core functions or selected wider functions, as set out in the 2022 guidance?	✓		
12.	Has the committee met privately with the external auditors and head of internal audit in the last year?	✓		

Good practice questions		Yes	Partly	No
Membership and support				
13.	Has the committee been established in accordance with the 2022 guidance as follows?	✓		
	<ul style="list-style-type: none"> • Separation from the executive 	✓		
	<ul style="list-style-type: none"> • A size of committee that is not unwieldy and avoids the use of substitutes 	✓		
	<ul style="list-style-type: none"> • Inclusion of lay/co-opted independent members in accordance with legislation or CIPFA's recommendation 	✓		
14.	Have all committee members been appointed or selected to ensure a committee membership that is knowledgeable and skilled?	✓		
15.	Has an evaluation of knowledge, skills and the training needs of the chair and committee members been carried out within the last two years?	✓		
16.	Have regular training and support arrangements been put in place covering the areas set out in the 2022 guidance?	✓		
17.	Across the committee membership, is there a satisfactory level of knowledge, as set out in the 2022 guidance?	✓		
18.	Is adequate secretariat and administrative support provided to the committee?	✓		
19.	Does the committee have good working relations with key people and organisations, including external audit, internal audit and the CFO?	✓		
Effectiveness of the committee				
20.	Has the committee obtained positive feedback on its performance from those interacting with the committee or relying on its work?	✓		

Good practice questions		Yes	Partly	No
21.	Are meetings well chaired, ensuring key agenda items are addressed with a focus on improvement?	✓		
22.	Are meetings effective with a good level of discussion and engagement from all the members?	✓		
23.	Has the committee maintained a non-political approach to discussions throughout?	✓		
24.	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?	✓		
25.	Does the committee make recommendations for the improvement of governance, risk and control arrangements?	✓		
26.	Do audit committee recommendations have traction with those in leadership roles?	✓		
27.	Has the committee evaluated whether and how it is adding value to the organisation?	✓		
28.	Does the committee have an action plan to improve any areas of weakness?	✓		
29.	Has this assessment been undertaken collaboratively with the audit committee members?	✓		

Appendix B1: Audit Committee – self assessment supporting information: Knowledge and Skills baseline assessment August 2021

This is used as a baseline and therefore not revisited every year. In line with the 2022 guidance this will be refreshed in 2024.

	Confident > Comfortable > Not Confident					Rank
Overview of the governance structures of the Council and decision-making processes. Knowledge of the organisational objectives and major functions of the Council	Blue	Blue	Orange	Orange	Orange	M
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.	Blue	Blue	Blue	Orange	Green	M
Awareness of the key principles of the Public Sector Internal Audit Standards and the Local Government Application Note. 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	Orange	Orange	Orange	Green	Green	M
Awareness of the financial statements that a local authority must produce and the principles it must follow to produce them. Understanding of good financial management principles. Knowledge of how the organisation meets the requirements of the role of the chief financial officer, as required by the CIPFA Statement on the Role of the Chief Financial Officer in Local Government.	Blue	Orange	Orange	Green	Green	M
Knowledge of the role and functions of the external auditor and who currently undertakes this role; the key reports and assurances that external audit will provide; arrangements for the appointment of auditors and quality monitoring undertaken.	Blue	Blue	Blue	Blue	Orange	H
Understanding of the principles of risk management, including linkage to good governance and decision making. Knowledge of the risk management policy and strategy of the organisation. Understanding of risk governance arrangements, including the role of members and of the audit committee	Blue	Blue	Orange	Green	Green	M
Understanding of the main areas of fraud risk the organisation is exposed to. Knowledge of the principles of good fraud risk management practice. Knowledge of the organisation’s arrangements for tackling fraud.	Orange	Orange	Orange	Green	Green	M

	Confident > Comfortable > Not Confident					Rank
Knowledge of the Seven Principles of Public Life. Knowledge of the authority's key arrangement to uphold ethical standards for both members and staff. Knowledge of the whistleblowing arrangements in the authority.	Blue	Blue	Blue	Orange	Orange	H
Aware that the Effectiveness Scrutiny of Treasury Management is an assessment tool for reviewing the arrangements for undertaking scrutiny of treasury management. The key knowledge areas identified are: - <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. 	Orange	Orange	Green	Green	Green	L
Able to focus on material issues and overall position, rather than being side-tracked by detail.	Blue	Blue	Orange	Orange	Orange	M
Able to frame questions that draw out relevant facts and explanations.	Blue	Blue	Blue	Orange	Orange	H
Able to understand the reasons for weaknesses in internal control and seek assurances that a solution will be found, providing clear challenge to ensure that actions and allocations of responsibility are clear.	Blue	Blue	Orange	Orange	Green	M
Able to understand the practical implications of recommendations to understand how they might work in practice.	Blue	Blue	Orange	Orange	Orange	M
Able to support the use of plain English in communications, avoiding jargon, acronyms, etc.	Blue	Blue	Blue	Blue	Orange	H

	Yes<>No<>Partially					Rank
Knowledge gained from a professional qualification in accountancy	Orange	Orange	Orange	Orange	Orange	L
Knowledge gained from a professional qualification in internal audit	Blue	Orange	Orange	Orange	Orange	L
Risk management qualification or practical experience of applying risk management or knowledge of risks and opportunities associated with major areas of activity.	Blue	Blue	Orange	Orange	Green	M
Legal qualification and knowledge of specific areas of interest to the committee, for example, constitutional arrangements, data protection or contract law.	Orange	Orange	Orange	Orange	Green	L
Direct experience of managing or working in a service area similar to that operated by the authority.	Orange	Orange	Orange	Orange	Orange	L

	Yes<>No<>Partially					Rank
Knowledge of relevant legislation, risks and challenges associated with major service areas which will help the audit committee to understand the operational context						M
Project management qualifications or practical knowledge of project management principles.						L
Knowledge gained from management or development work in IT.						L

Key to ranking

Level of confidence reported in skills set and knowledge across most committee members.

H	High
M	Medium
L	Low

Training delivered and planned for 2022/23

Rank	Skills: Core	Evidence of training since April 2021
M ²	Organisational knowledge	
M	Audit Committee role and functions	June 2021 ³ (MI); June 2021 ⁴ (AC); Sept 2021
M	Governance	June 2021 (MI) (AC); Sept 2021
M	Internal Audit	June 2021 (MI); Sept 2021
M	Financial management and accounting	June 2021 (MI) (AC); Dec 2021
H	External Audit	June 2021 (MI) (AC)
M	Risk Management	June 2021 (AC); Dec 2021; Jun 2022
M	Counter-fraud	June 2021 (AC); Sept 2021
H	Values of good governance	June 2021 (MI) (AC); Sept 2021
L	Treasury management	June 2021 (AC); Jan 2022; Jun 2022
M	Strategic thinking and understanding of materiality	
H	Questioning and constructive challenge	
M	Focus on improvement	Sept 2021
M	Able to balance practicality against theory	

² Based on 5/8 completed responses in August 2021. All permanent members completed the evaluation.

³ (MI) Member Induction available to all, not restricted to Audit Committee members.

⁴ (AC) Member training specific to Audit Committee

Rank	Skills: Core	Evidence of training since April 2021
H	Clear communication skills and focus on the needs of users	
	Skills: Specialist	
L	Accountancy	June 2021 (MI) (AC) Dec 2021
L	Internal Audit	June 2021 (MI) (AC); Sept 2021
M	Risk Management	June 2021 (AC); Planned December 2021
M	Governance and Legal	June 2021 (MI) (AC); Jun 2022 and June 2023
L	Service knowledge relevant to the functions of the organisation	Sept 2021; Feb 2022; Jun 2022 and Oct 2022
L	Programme and project management	
L	IT system and IT governance	
	IT Service Delivery and Assurance	June 2023 (AC)
	Service Planning and Performance Management	September 2023 (AC)
	Procurement	September 2023 (AC)
	Analysis of the effectiveness of Audit Committee; Sept 2022 and Oct 2022	
M/H	Promoting the principles of good governance and their application to decision making.	
M/H	Contributing to the development of an effective control environment.	
H	Supporting the establishment of arrangements for the governance of risk and for effective arrangements to manage risks.	
H	Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively.	
H	Supporting the quality of the internal audit activity, particularly by underpinning its organisational independence.	
M/H	Aiding the achievement of the authority's goals and objectives through helping to ensure appropriate governance, risk, control and assurance arrangements.	
M	Supporting the development of robust arrangements for ensuring value for money.	
H	Helping the authority to implement the values of good governance, including effective arrangements for countering fraud and corruption risk.	
M	Promoting effective public reporting to the authority's stakeholders and local community and measures to improve transparency and accountability.	

Appendix B2: Improvement plan for an effective Audit Committee to be refreshed annually in November

SAR ⁵	Partial compliance	Proposed action	Review November 2023
5	Do all those charged with governance and in leadership roles have a good understanding of the role and purpose of the committee?	Members continue to raise awareness as to the role and purpose of the Audit Committee and the value that can be added by all to improve governance, risk management and internal controls. Members can refer others to the Induction training of Audit.	Ongoing and Members outside of the Audit Committee are welcome to attend training sessions where topics are beneficial to all.

⁵ SAR = Self-assessment reference

Appendix C: Self-assessment of Good Practice showing evidence

	Good practice questions	Yes/ No/ Partially	Evidence
Audit Committee purpose and governance			
1.	Does the authority have a dedicated audit committee that is not combined with other functions (e.g. standards, ethics, scrutiny)?	Yes	Constitution, Terms of Reference Actual meetings, details on internet.
2.	Does the audit committee report directly to the governing body (PCC and chief constable/full council/full fire authority, etc)?	Yes	ToR ⁶ paragraph (para) 42 reviewed, revised and reapproved at November Audit Committees.
3.	Has the committee maintained its advisory role by not taking on any decision-making powers?	Yes	ToR paragraph (para) 45. The Committee will have no delegated powers, other than those assigned from Council to approve the Statement of Accounts when required, but can require relevant officers, members and agencies to attend at any meeting where such attendance would be expedient to the work of the Committee.
4.	Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's 2022 Position Statement?	Yes	ToR from para 9 reviewed, revised and reapproved at November Audit Committees.
5.	Do all those charged with governance and in leadership roles have a good understanding of the role and purpose of the committee?	Partially	Key officers and members are aware. This may not be fully embedded with all members ⁷ of the Council and sometimes there is confusion over the scrutiny/ audit committee role. Awareness is worked on by key members and officers at every opportunity. Officers and Portfolio Holders are invited to Audit Committee to discuss major risks and control issues. Discussions take place between the Chairman, CEO, senior officers and Portfolio Holders as required.

⁶ Terms of reference

⁷ Induction presentations have been delivered on this topic.

	Good practice questions	Yes/ No/ Partially	Evidence
			<p>Member training is sometimes extended to a wider member audience, an example of which was the Treasury Management training January 2022</p> <p>The annual report from Committee to Council informs all members of the Committee's activities.</p> <p>Proposed Action: <i>Members continue to raise awareness as to the role and purpose of the Audit Committee and the value that can be added by all to improve governance, risk management and internal controls. Members can refer others to the Induction training of Audit and Members outside of the Audit Committee are welcome to attend training sessions where topics are beneficial to all.</i>⁸</p>
6.	Does the audit committee escalate issues and concerns promptly to those in governance and leadership roles?	Yes	<p><u><i>ToR para 9-18.</i></u></p> <p><u><i>ToR Para 44.</i></u></p> <p><u><i>The Committee's work plan identifies areas of governance that it provides support on, this is further demonstrated by Committee agendas.</i></u></p> <p><u><i>The Annual Assurance report to Council presented to the June/ July Committee confirms this and the Annual Governance Statement identifies significant areas for improvement which the Committee can focus on.</i></u></p> <p><u><i>An update was provided to the Audit Committee in September 2023 regarding progress against the actions identified in the 2022-23 AGS.</i></u></p>

⁸ Blue italics proposed actions are picked up and formulate the improvement plan for the Audit Committee

	Good practice questions	Yes/ No/ Partially	Evidence
7.	Does the governing body hold the audit committee to account for its performance at least annually?	Yes	No complaints from Council. Annual report to Council appears on July Audit Committee agenda allows members to comment and challenge the Committee's work. Evidence that the Committee is reviewing issues aligned to the Strategic Risks of the Council and the Annual Governance Statement action plans.
8.	Does the committee publish an annual report in accordance with the 2022 guidance, including:	Yes	
	<ul style="list-style-type: none"> compliance with the CIPFA Position Statement 2022 		Detailed within the annual report to Council July 2023.
	<ul style="list-style-type: none"> results of the annual evaluation, development work undertaken and planned improvements 		Detailed within the annual report to Council July 2023.
	<ul style="list-style-type: none"> how it has fulfilled its terms of reference and the key issues escalated in the year? 		Detailed within the annual report to Council July 2023.
Functions of the committee			
9.	Do the committee's terms of reference explicitly address all the core areas identified in CIPFA's Position Statement as follows?	Yes	
	<ul style="list-style-type: none"> Governance arrangements 		ToR para 9+
	<ul style="list-style-type: none"> Risk management arrangements 		ToR para 13+
	<ul style="list-style-type: none"> Internal control arrangements, including: <ul style="list-style-type: none"> financial management value for money ethics and standards counter fraud and corruption 		ToR para 11+ ToR para 47 (f) ToR para 4

	Good practice questions	Yes/ No/ Partially	Evidence
	<ul style="list-style-type: none"> Annual governance statement 		ToR para 9, 10
	<ul style="list-style-type: none"> Financial reporting 		ToR para 37+
	<ul style="list-style-type: none"> Assurance framework 		ToR para 12
	<ul style="list-style-type: none"> Internal audit 		ToR para 19+
	<ul style="list-style-type: none"> External audit 		ToR para 31+
10.	Over the last year, has adequate consideration been given to all core areas?	Yes	Evaluation is through the: <ul style="list-style-type: none"> Self-assessment of compliance with this best practice document, reported in December. Annual report to Council is written to map back to the terms of reference. Annual work plan, reported to March Committee, which maps back to the ToR. Agendas, minutes and reports of Committee support that all core areas are being reviewed. Specific training sessions to review the Committee's effectiveness in September and October 2022.
11.	Over the last year, has the committee only considered agenda items that align with its core functions or selected wider functions, as set out in the 2022 guidance?	Yes	Wider areas are: <ul style="list-style-type: none"> Matters at the request of Statutory Officers or other committees – if these are brought to the Committee they would be considered in line with the ToR, para 6. Ethical Values – The Committee does not have responsibility for reviewing ethical standards. A separate Standards Committee which has this responsibility is held as and when required. <i>However, the Committee supports standards and ethics, para 10+.</i> Treasury Management – The Committee covers this responsibility as evidenced by its ToR para 39+.
12.	Has the committee met privately with the external auditors and head of internal audit in the last year?	Yes	External Audit attend each Audit Committee meeting and are present for the private session at each meeting.

	Good practice questions	Yes/ No/ Partially	Evidence
Membership and support			
13.	Has the committee been established in accordance with the 2022 guidance as follows?	Yes	
	<ul style="list-style-type: none"> Separation from the executive 	Yes	ToR, para 1 Where it has been recognised at any time that Members have conflicting responsibilities, they have resigned from the Committee.
	<ul style="list-style-type: none"> A size of committee that is not unwieldy and avoids the use of substitutes 	Yes	ToR, para 1
	<ul style="list-style-type: none"> Inclusion of lay/co-opted independent members in accordance with legislation or CIPFA's recommendation 	Yes	The Audit Committee recruited an independent member in January 2023.
14.	Have all committee members been appointed or selected to ensure a committee membership that is knowledgeable and skilled?	Yes	Completion of self-assessment confirms appropriate knowledge and skills are in place. Evidenced by attendance and behaviour at Committee and resulting recommendations and minutes, available publicly. The Chair has extensive experience and works closely with the S151 Officer and Chief Audit Executive (CAE) to retain current knowledge and management of risks. The Chair can identify and influence future training requirements for all Committee members.
15.	Has an evaluation of knowledge, skills and the training needs of the chair and committee members been carried out within the last two years?	Yes	Completion of the skills assessment (completed Summer 2021). To be refreshed in 2024.

	Good practice questions	Yes/ No/ Partially	Evidence
16.	Have regular training and support arrangements been put in place covering the areas set out in the 2022 guidance?	Yes	Demonstrated by: <ul style="list-style-type: none"> • Completion of the skills assessment (completed Summer 2021). • Committee work plan (February/March Committee agenda) • Evidence of regular training including agendas, training documents etc. available on request.
17.	Across the committee membership, is there a satisfactory level of knowledge, as set out in the 2022 guidance?	Yes	Training self-assessments were completed by members, summer 2021, and refreshes of the Audit Committee work plan and self-assessment inform the training plan looking forward. There are areas to build upon given the experience of members.
18.	Is adequate secretariat and administrative support provided to the committee?	Yes	Administrative support provided by Committee Services with dedicated Committee Officer assigned to the administration of the Audit Committee. Regular qualified and experienced secretarial support is provided to all Committee meetings.
19.	Does the committee have good working relations with key people and organisations, including external audit, internal audit and the CFO?	Yes	Demonstrated by regular attendance at all Committees by these key stakeholders and the professional way the meetings are managed. Interviews with all parties would help to support this conclusion.
Effectiveness of the committee			
20.	Has the committee obtained positive feedback on its performance from those interacting with the committee or relying on its work?	Yes	Committee receives verbal feedback from members, officers and external audit. Annual assurance report to Council allows consideration of this by all members.
21.	Are meetings well chaired, ensuring key agenda items are addressed with a focus on improvement?	Yes	The Chair has extensive experience and works closely with the S151 Officer and Chief Audit Executive (CAE) to retain current knowledge and management of risks. Demonstrated in minutes and by attendees at Committee and by clear requests for further information in a few high-risk areas.

	Good practice questions	Yes/ No/ Partially	Evidence
22.	Are meetings effective with a good level of discussion and engagement from all the members?	Yes	Demonstrated in agendas, minutes and reports of the Committee. All unsatisfactory and limited audit areas are reported to Committee and members invite officers from such areas to provide management updates on progress against agreed control improvements.
23.	Has the committee maintained a non-political approach to discussions throughout?	Yes	Demonstrated in agendas, minutes and reports of the Committee.
24.	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?	Yes	Demonstrated in agendas, minutes and reports of the Committee. All unsatisfactory and limited audit areas are reported to Committee and members invite officers from such areas to provide management updates on progress against agreed control improvements.
25.	Does the committee make recommendations for the improvement of governance, risk and control arrangements?	Yes	Where there is a need to escalate such issues further, the Committee would do this through known member and officer channels. Clarity has been provided and explored at governance training sessions on how this works in practice.
26.	Do audit committee recommendations have traction with those in leadership roles?	Yes	Demonstrated in agendas, minutes and reports of the Committee. All unsatisfactory and limited audit areas are reported to Committee and members invite officers from such areas to provide management updates on progress against agreed control improvements.
27.	Has the committee evaluated whether and how it is adding value to the organisation?	Yes	Demonstrated by the year-end report sent to Council in September (agreed by Audit Committee in July) which sets out delivery in the following areas: <ul style="list-style-type: none"> • Promoting the principles of good governance and their application to decision making; advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively. • Contributing to the development of an effective control environment.

	Good practice questions	Yes/ No/ Partially	Evidence
			<ul style="list-style-type: none"> • Supporting the establishment of arrangements for the governance of risk and for effective arrangements to manage risks. • Supporting the quality of the internal audit activity, particularly by underpinning its organisational independence. • Aiding the achievement of the authority's goals and objectives through helping to ensure appropriate governance, risk, control and assurance arrangements. • Supporting the development of robust arrangements for ensuring value for money. • Helping the authority to implement the values of good governance, including effective arrangements for countering fraud and corruption risks. • Promoting effective public reporting to the authority's stakeholders and local community and measures to improve transparency and accountability. <p>In addition, agendas and work is planned and shows clearly where the levels of assurance are coming from, providing opportunity to challenge and ensure a balanced information base is received by members.</p> <p>Members conducted a session on the Committee's effectiveness in September and October 2022 and agreed an action plan, the key elements of which are reported earlier in this report.</p>
28.	Does the committee have an action plan to improve any areas of weakness?	Yes	Results from this self-assessment are incorporated into an action plan.
29.	Has this assessment been undertaken collaboratively with the audit committee members?	Yes	Assessment shared with Audit Committee members and considered formally at the November 2023 Audit Committee.