

## Audit and Governance Committee

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**Date of Meeting:** 12<sup>th</sup> March 2020.

**Report Title:** Audit and Governance Committee Self Assessment

**Senior Officer:** Jan Bakewell, Director of Governance and Compliance Services

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### 1. Report Summary

- 1.1. The aim of this report is to support the Audit and Governance Committee in performing effectively and facilitate compliance with the Accounts and Audit Regulations 2015.
- 1.2. Members are asked to consider the results of an initial self assessment of the effectiveness of the Audit and Governance Committee, carried out by the Chair and Vice Chair using the CIPFA publication '*Audit Committees – Practical Guidance for Local Authorities and Police (2018 Edition)*'.

### 2. Recommendations

- 2.1. That the Committee:
  - 2.1.1. Consider the self-assessment (Appendix A) and determine any required additions or amendments.
  - 2.1.2. Endorse the actions arising from the self-assessment.

### 3. Reasons for Recommendations

- 3.1. A good standard of performance against recommended practice, together with a knowledgeable and experienced membership, are essential requirements for the Audit and Governance Committee to be effective.
- 3.2. Regular self-assessments against best practice, as outlined in the CIPFA "Audit Committees Practical Guidance for Local Authorities (2018)" can be used to support the planning of the Committee's work programme, training plans and inform the annual report.

3.3. The self-assessment forms part of the review of the system of internal control as required by Regulation 6 of the Accounts and Audit Regulations 2015 and which supports the production of the Annual Governance Statement (AGS).

#### 4. Other Options Considered

4.1. Not applicable.

#### 5. Background

5.1. The process for conducting the review of the Audit and Governance Committee’s effectiveness, is based on best practice guidance, and uses the “Self Assessment of Good Practice” and “Evaluating the Effectiveness of the Audit Committee” models provided in the CIPFA Guidance “Audit Committees – Practical Guidance for Local Authorities and Police (2018) Edition.”

5.2. The details of the initial self assessment are provided in Appendix 1, with summaries of the outcomes provided in Table 1 and Table 2 below.

5.3. As the results of the Audit and Governance Self-Assessment will be reported to this Committee for consideration as part of the AGS process, it is important that Members are comfortable with the draft Audit and Governance Committee self-assessment and actions, prepared following discussion and assessment by the Chair and Vice Chair.

5.4. Actions identified in the assessment include:

5.4.1. Further training on the roles and responsibilities of the Audit and Governance Committee to be provided to all Members of the Council, and for the Audit and Governance Committee members

5.4.2. Consideration to be given to inclusion of more independent members during the 2020/21 Committee year.

5.4.3. For the Committee to consider opportunities for working with partner audit committees following reports on partnerships governance in 2020/21.

**Table 1: Self Assessment of Good Practice**

Self-Assessment against Good Practice 2019/20		
Meeting recommended practice	Number	Actions Arising
Yes	27	
Partly	9	
No	1	
<b>Total</b>	<b>37</b>	<b>4</b>

**Table 2: Evaluating the Effectiveness of the Audit Committee**

<b>Assessment Key: Level</b>	<b>Assessment Key: Criteria</b>	<b>Outcome of 2019/20 Draft Assessment</b>
5	Clear evidence is available from a number of sources that the committee is actively supporting improvements across all aspects of this area. The improvements made are clearly identifiable.	4
4	Clear evidence from some sources that the committee is actively and effectively supporting improvement across some aspects of this area.	13
3	The committee has had mixed experience in supporting improvement in this area. There is some evidence that demonstrates their impact but there are also significant gaps	8
2	There is some evidence that the committee has supported improvements, but the impact of this support is limited.	3
1	No evidence can be found that the audit committee has supported improvements in this area.	1
<b>Actions Arising</b>		<b>3</b>

## **6. Implications of the Recommendations**

### **6.1. Legal Implications**

6.1.1. The self-assessment forms part of the review of the system of internal control as required by Regulation 6 of the Accounts and Audit Regulations 2015 and which supports the production of the Annual Governance Statement (AGS).

### **6.2. Finance Implications**

6.2.1. Any actions identified from the Audit and Governance Committee self-assessment will be resourced from existing capacity and budgets. There are no implications for the Council's medium term financial strategy.

### **6.3. Policy Implications**

6.3.1. There are no direct implications for policy.

### **6.4. Equality Implications**

6.4.1. There are no direct implications for equality matters.

## **6.5. Human Resources Implications**

6.5.1. There are no direct implications for Human Resources.

## **6.6. Risk Management Implications**

6.6.1. The process of self-assessment, the discussion of it by the Audit and Governance Committee and the actions arising from this process are vital in reviewing the effectiveness of the Audit and Governance Committee, and contributing to the continuing improvement of the Council's assurance mechanisms.

## **6.7. Rural Communities Implications**

6.7.1. There are no direct implications for rural communities.

## **6.8. Implications for Children & Young People/Cared for Children**

6.8.1. There are no direct implications for children and young people.

## **6.9. Public Health Implications**

6.9.1. There are no direct implications for public health.

## **6.10. Climate Change Implications**

6.10.1. There are no direct implications for climate change.

## **7. Ward Members Affected**

7.1. All wards are affected.

## **8. Access to Information**

8.1. The detailed self-assessment document is available as Appendix A to this report.

## **9. Contact Information**

9.1. Any questions relating to this report should be directed to the following officer:

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