

To: All Persons on the Distribution List of the Audit and Governance Committee

13th April 2022

Dear Councillor,

Please find attached the following reports that were marked as 'copy to follow' on the agenda for the meeting of the Audit and Governance Committee on 21st April 2022 (agenda item 5 and 6 refers).

- Audit and Governance Committee Work Programme
- Annual Report of the Audit and Governance Committee 2021/22

Paper copies will be available in your group rooms in the upcoming days.

Yours sincerely,



Beverly O'Brien
for Rob Walsh, Chief Executive

AUDIT AND GOVERNANCE COMMITTEE

DATE	21st April 2022
REPORT OF	Independent Chair of the Audit Committee
SUBJECT	Audit Committee work programme 2022/23
STATUS	OPEN

CONTRIBUTION TO OUR AIMS

An effective Audit and Governance Committee contributes to the achievement of strategic objectives by seeking and receiving assurance on the systems of risk management, governance and internal control which underpin the delivery of these objectives.

The Committee agrees an annual work programme before the start of the municipal year, to take a pro-active view of the work it needs to undertake in a planned way during the year to fulfil its responsibilities. This report now sets out a proposed programme for the Committee to consider which takes into account the impact of Covid 19 on our focus last year, our work in the current municipal year, and expected significant changes in the operating environment in 2022/23.

RECOMMENDATIONS

That the Audit and Governance Committee approves the work programme for 2022/23.

REASONS FOR DECISION.

The production of a work programme ensures that the Committee has a systematic approach to undertaking its responsibilities as set out in its terms of reference

1. BACKGROUND AND ISSUES

The proposed issues for inclusion in the programme of work is set out below . An appendix shows in addition the “statutory and constitutional work” of the committee that must be completed. The list below is the proposed discretionary work that should be covered , especially given Committee’s responsibilities for the oversight of partnership governance. Relatively few items are identified for in-depth review this year, but they specifically relate to the expected circumstances of the Council during 2022/23

2. FOCUSED REVIEW AREAS

The Committee identifies matters within its responsibilities for more detailed review than can be given in a standard written report. These issues are also ones that are within the discretion of the Committee.

Taking account of the current circumstances of the Council, and potential changes both internal and external during the next municipal year, and having discussed the matter with the Vice Chair, I am proposing that the following issues be developed into the work programme for 2022/23

- a. Governance of Adult Social Care and the work of the Union, in the light of the changes in the NHS Act 2022 currently in Parliament
- b. Impact of any revised Childrens' Services governance arrangements following the Commissioner's report, on the Council's control framework
- c. Medium Term Financial Planning process .(review of process and internal controls)
- d. Partnership working – general stocktake , and overview of the developing Engie and Leisure arrangements.

The programme of work in this sequence will need to align with the Committee's meeting dates when these have been finalised by the Council's annual meeting in May.

3. WORKING GROUPS

It is also proposed to hold meetings of the Audit Working Group between meetings of the Committee, on dates to be arranged, to deal with any items of work that arise during the year and need a "working group" approach for consideration, as well as to review detailed internal audit reports and the management of specific strategic risks as identified by the Chair and Vice Chair as meriting consideration.

4. RISKS AND OPPORTUNITIES

Strong and effective control environment arrangements are an essential element of a robust corporate governance framework. The Audit Committee has a leading role to play in ensuring that the Council's governance arrangements are effective and contribute to the mitigation of risks. As the Council's operating model continues to evolve the Committee needs to ensure that its work and the control systems it oversees, remain effective.

5. OTHER OPTIONS CONSIDERED

No other options are applicable as the production of a work programme is an established component of the way the committee works , and is considered to be good practice.

6. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

There are no specific reputational issues related to this report. The work programme, when approved, should be shared widely within the Council to ensure that relevant officers and members are aware of work to which they may need to contribute.

7. FINANCIAL ,LEGAL and HR IMPLICATIONS

There are no specific financial, legal or HR implications arising as a direct result of this report, although the work of the Committee is an essential part of ensuring that the Council has an adequate and effective control framework for these matters.

8. WARD IMPLICATIONS

The work of the Audit and Governance Committee is applicable to all wards

9. BACKGROUND PAPERS

None

CONTACT OFFICER

Tim Render
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Tim Render
Chair of the Audit and Governance Committee

Appendix

Proposed work programme including statutory and constitutional work of the Committee

July 2022

- *Annual reports (relating to 2020/21)*
 - *Draft Annual Governance Statement*
 - *Head of Internal Audit Report and Opinion*
 - *Treasury Management Out-turn*
- *Risk management Annual Report / strategic risk register*
- *Governance of Adult Social Care and the work of the Union, in the light of the changes in the NHS Act 2022*
- *Impact of any revised Childrens' Services governance arrangements following the Commissioner's report, on the Council's control framework*

November 2022 (preceded by training session on local authority accounts)

- *External Audit update*
- *Approval of annual accounts*
- *Final Annual Governance Statement*
- *Treasury Management Q1 Q2 report*
- *Fraud half yearly report*
- *Risk register update*
- *Medium Term Financial Planning process .(review of process and internal controls)*

February 2023 (preceded by training session on Treasury Management)

- *Code of Governance and Annual Governance Statement update*
- *Accounting policies*
- *Internal Audit Interim Report*
- *Treasury Management strategy approval*
- *Review of partnership governance arrangements*

April 2023

- *Approval of Internal Audit plan 2023/24*
- *Annual reports*
 - *Fraud*
 - *Information Governance*
 - *VFM*
 - *Committee report to Council*
- *Risk management update / strategic risk register*

AUDIT AND GOVERNANCE COMMITTEE

DATE	21 st April 2022
REPORT OF	Independent Chair of the Audit Committee
SUBJECT	Annual Report of the Audit and Governance Committee 2021/22
STATUS	Open

CONTRIBUTION TO OUR AIMS

An effective audit committee contributes to the achievement of strategic objectives by seeking and receiving assurance on the systems of risk management, governance and internal control which underpin the delivery of these objectives.

EXECUTIVE SUMMARY

The Annual Report of the Audit and Governance Committee is designed to inform the full Council of the Committee's activities during the Council year (May 2021 to May 2022), and how it has discharged its responsibilities. The Audit and Governance Committee is now asked to formally approve this report prior to it being reported to Full Council.

RECOMMENDATIONS

1. That the Audit and Governance Committee approves the annual report and requests that is presented to the Full Council
2. That the Audit and Governance Committee resolves to give delegated authority to the Chair and the Deputy Chair to make any additions or amendments to the report resulting from the outcome of the Committee held on 21st April 2022.

REASONS FOR DECISION

The production of an annual report by the audit committee is considered to be good practice by the Chartered Institute of Public Finance and Accountancy, and has been the Council's practice for some years. It is important that the wider membership of the Council is kept informed of the work to ensure sound control and governance. The report to Council is an essential part of this process.

1. BACKGROUND AND ISSUES

The annual report of the Audit and Governance Committee is attached. It summarises the activities of the Committee, and demonstrates how it has discharged its duties. It also reports on the outcome of the Audit and Governance Committee's self- assessment against good practice.

The main conclusions of the report are:

- the Audit and Governance Committee has effectively discharged its duties as an Audit Committee, and has played an important role in promoting good governance across the council and monitoring the effectiveness of its governance arrangements; and
- the work of the Audit and Governance Committee complies with good practice

2. RISKS AND OPPORTUNITIES

Strong and effective control environment arrangements are an essential element of a robust corporate governance framework. The Audit and Governance Committee has a leading role to play in ensuring that the Council's governance arrangements are effective and contribute to the mitigation of risks. As the Council's operating model continues to evolve, the Committee needs to ensure that its work and the control systems it oversees, remain effective. The annual Committee Work Programme explicitly recognises this development need.

3. OTHER OPTIONS CONSIDERED

No other options are applicable as the production of an annual report is considered to be good practice.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

There are no specific reputational issues related to this report. The production of an annual report for consideration by Full Council is a means by which the work of the Audit and Governance Committee can be widely communicated.

5. FINANCIAL CONSIDERATIONS

There are no specific financial considerations related to this report.

6. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

There are no climate change or environmental implications arising from this report.

7. FINANCIAL IMPLICATIONS

There are no financial implications arising as a direct result of this report.

8. LEGAL IMPLICATIONS

There are no direct legal implications arising from the report.

9. HUMAN RESOURCES IMPLICATIONS

There are no direct human resources implications arising from this report.

10. WARD IMPLICATIONS

This report is applicable to all wards.

11. BACKGROUND PAPERS

Audit Committees: Practical Guidance for Local Authorities and Police (2018)
(Chartered Institute of Public Finance and Accountancy)

12. CONTACT OFFICER(S)

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Tim Render
Chair of the Audit and Governance Committee

AUDIT AND GOVERNANCE COMMITTEE

ANNUAL REPORT 2021/22

FOREWORD BY TIM RENDER, CHAIRMAN OF THE COMMITTEE

Once again I am pleased to introduce the annual report of the Council's Audit and Governance Committee. It was really good for the Committee to be able to meet in person again from the spring of 2021, and to hear first-hand reports from various officers on our work programme. The Annual Report illustrates the volume and coverage of the Committee's work.

The key "conventional" activities of the Committee during the year remained:

- a. Assessing whether the council has an adequate system of internal control to make sure it can meet its various financial and governance responsibilities, as well as deliver on its priorities.
- b. Whether those systems of control are working effectively.

As a result of this work, ***we are again able to provide the Council, with assurance around the effectiveness of internal control, risk management and governance arrangements.***

We have undertaken specific monitoring of the Council's arrangements for managing risk. We also followed a work programme agreed by the Committee in advance of the municipal year and shared widely within the Council to ensure maximum impact and minimal overlap with other work. We continued to separate the scheduling of committee and working group meetings. This allows us to review in detail key issues at an earlier stage (without having to wait for the next programmed meeting date) and has given us time to carry out in-depth consideration of key and emerging issues.

I would like to take this opportunity to thank the Members of the Committee for their interest in and commitment to the Committee's work. As ever, we are dependent on the work of others, and I would like to thank the Executive Director of Environment, Economy and Resources, the Assistant Director Law, Governance and Assets, the Head of Audit and Assurance, Democratic Services staff and the representatives from our external auditors, for their continuing support during the last year.

Finally, we will keep under review how we undertake our responsibilities as key factors in the Council's operating environment develop (such as the changes to the governance and management of adult social care, with the demise of the Clinical Commissioning Group). The work plan that has already been considered by the Committee in draft, will take these developments fully into account.

Tim Render
Independent Chairman of the Audit Committee

1. INTRODUCTION

The Audit Committee was set up in 2005. Its role is defined in its terms of reference, as laid out in the Council's constitution, as shown on Appendix 1. The areas covered within them are consistent with those identified as good practice by the Charter Institute of Public Finance and Accountancy and Finance (CIPFA) in its document "*Audit Committees: Practical Guidance for Local Authorities and Police*" (2018). In May 2013, its role was expanded to include partnership governance and was renamed the "Audit and Governance Committee".

This report informs the full Council of the Committee's activities during the Council year (May 2021 to April 2022), and how it has discharged its responsibilities.

2. COMMITTEE INFORMATION

Audit and Governance Committee Membership

During the year, the Committee had nine members, plus Tim Render (the independent chair). The membership was as follows:

Chairman – Mr. Tim Render
Councillor S Harness (Conservative) (Deputy Chairman)
Councillor B Parkinson (Conservative)
Councillor T Furneaux (Conservative)
Councillor P Silvester (Conservative)
Councillor B Robinson (Conservative)
Councillor G Reynolds (Conservative)
Councillor D Westcott (Conservative)
Councillor M Patrick (Labour)
Councillor T Mickleburgh (Labour)

Audit Committee Meetings and Attendance

During 2021/22 the Committee held six meetings, all of which were held in person following the ending of the temporary change in the regulations to allow meetings to be held virtually due to COVID-19. The schedule of Members attendances, excluding the Independent Chair is shown below. Including substitutes, Members achieved an attendance rate of 98% (44 out of a possible 45) in the five meetings held up to 20 January 2022, whilst substitutes were only required in two instances.

Table 1: Attendance at Audit Committee Meetings

	24 June 2021	22 July 2021	29 Sept 2021	11 Nov 2021	20 Jan 2022	21 April 2022
Number attended including subs	8	9	9	9	9	To be updated

In line with good practice the Section 151 Officer, the Monitoring Officer, the Head of Audit and Assurance, and external audit's Engagement Lead have attended nearly all meetings. In addition, other senior officers have attended where appropriate, or where they have been invited by the Committee, including the Chief Executive.

In addition, an audit working group was held on 8 December 2021. At the meeting Members were provided with presentations on three specific strategic risks, and an update on Health and Safety.

Training

The Council recognises the importance of providing Committee Members with the training to allow them to effectively carry out what can be a demanding and technical role. In 2021/22 training included:

- Audit Committee Induction (incorporating an introduction to internal control, governance and the role of Internal Audit (June 2021)
- The statements of accounts (September 2021)
- Risk Management (November 2021)
- Counter Fraud (November 2021)
- Treasury Management (January 2022)

3. HOW THE AUDIT COMMITTEE HAS DISCHARGED ITS RESPONSIBILITIES, AND ITS ACHIEVEMENTS

The Committee has discharged its responsibilities in 2021/22 is described below including its achievements in specific key areas:

Approve the Statement of accounts

Received the draft statement of accounts (September 2021)

Approved the audited annual statements of accounts on behalf of the Council and considered the external auditor's Report. Where appropriate the Committee sought assurance from officers and the external auditors on the content of the accounts. (November 2021)

Reviewed the proposed accounting policies for the statements of accounts 2021/22 (January 2022)

Annual Governance Statement/ Code of Governance

Reviewed the draft Annual Governance Statement 2020/21. (July 2021)

Approved the final Annual Governance Statement and recommended it be signed on the Council's behalf by the Leader and the Chief Executive (November 2021)

Received an update on progress issues identified for further focus identified in the Annual Governance Statement, included an addendum to the signed statement as a result of the OFSTED report on Children's Services having an impact on the External Auditors value for money opinion (January 2022)

Approved revisions the Council's updated Code of Governance (April 2022)

Approve the Internal Audit Plan / Head of Internal Audit Annual Report and Opinion

Considered the Head of Internal Audit Report and Opinion for 2020/21- this opinion and accompanying reports were an important source of assurance to the Committee in relation to its responsibilities for governance, risk management, and internal control, it also received assurance that Internal Audit's work was carried out in line with auditing standards. (July 2021)

Received an interim report from the Head of Internal Audit on the delivery of the annual audit plan 2021/22, including a summary of findings from audit reports, (January 2022)

Considered the proposed audit plan for 2022/23 and sought assurance on its compilation (April 2022)

In between formal meetings the Head of Internal Audit has periodic informal meetings were appropriate with both the Chair and Deputy Chair of the Committee to allow them to discuss emerging issues.

Promoting an anti-fraud culture

Received a briefing note from the Head of ICT and Digital providing reassurance around the governance and controls the Council have in place for cyber attacks. (September 2021)

Received an interim report on anti-fraud activities taking place within the Council (November 2021)

Reviewed the Annual Fraud Report 2020/21 (April 2022)

Received a report from the Assistant Director (Law, Governance and Assets) and the Head of People and Culture on the arrangements for the register of interests, gifts and hospitality (April 2021)

External Audit

Received progress reports from the External Auditors (June 2021, January 2022)

Received the External Audit Strategy Memorandum relating to the 2020/21 external audit of the Statement of Accounts and the VFM opinion (July 2021)

Approved a report from the Executive Director of Environment, Economy and Resources requesting that the Audit and Governance Committee recommend to Full Council that it opts into the arrangements allowing the PSAA to appoint the Council's external auditor at the end of the current -year contract on 31 March 2023 (September 2021)

Received the External Audit Completion Letter- this provided an update on the progress in completing the 2020/21 external audit (November 2021)

There is an opportunity at the end of each meeting for the Committee to have a private discussion (i.e. in the absence of the Executive) with External and Internal Audit at the request of the respective audit managers. No such request was made during the year.

Risk Management

Received the annual risk management report 2020/21 providing a summary of the developments relating to risk management (June 2021)

Reviewed the Strategic Risk Register (July 2021, November 2021, April 2022)

Considered the management of three specific strategic risks (Audit Working Group December 2021)

Received an update report in relation to the operation of risk management (April 2022)

Treasury Management

Reviewed the Treasury Management Annual Report 2020/21 containing details of treasury management arrangements, activity, and performance. (June 2021)

Reviewed the Treasury Mid-Year Review 2021/22 (November 2021)

Reviewed the Treasury Management Statement, the Treasury Management Practices, and the Treasury Management Arrangements recommending their approval by Full Council (January 2022).

Partnership Governance

Received a report on the governance arrangements relating to Regeneration Partnership (June 2021)

Received a stocktake report in relation to partnership governance. The report focused on the governance arrangements relating to each of its main partnerships (January 2022)

Approved the updated partnership protocol (April 2022)

Annual work programme

As well as discharging its key formal responsibilities the Committee has developed an annual work programme to allow it to obtain a greater understanding of strategic interest. During 2021/22 it received reports and sought assurance in the following areas:

- Considered the Annual Value for Money report (2020/21) summarising value for money activity during 2020/21 (June 2021)
- Received a briefing note from the Assistant Director Law, Governance and Assets on the governance around the scrutiny process (July 2021)
- Received update reports from the Deputy Section 151 Officer informing the committee of the CIPFA Financial Management Code and the Council's current level of compliance against the expectations outlined within it (July 2021 and April 2022)

- Received a report from Deputy Section 151 Officer in relation to the process for producing the Medium Term Financial Plan (November 2021)
- Received a report in relation to governance arrangements around the capital programme (April 2022)
- Considered the Annual Information Governance and Security report (2021/22) outlining key information governance activities undertaken and providing assurance on the Council's arrangements (April 2022)
- Considered the Annual Value for Money report (2021/22) summarising value for money activity during 2021/22 (April 2022)

Audit Committee Self-Assessment

- The Audit Committee annually carries out a self-assessment of its performance based on a checklist developed by CIPFA in its report "Audit Committees: Practical Guidance for Local Authorities and Police" (2018).. In March 2022 Members of the Committee were asked to provide a score for each of the headings included in the self-assessment checklist. The resulting composite scoring of the committee is shown in Appendix 2.
- It can be seen that the Committee continues to deliver a high rating in its self assessment, although there continue to be , as in any self aware and reflective organisation, some areas for further improvement.
- In addition Committee Members were asked to complete a short questionnaire in March 2022, to rate their confidence in dealing with the responsibilities of the Committee (which acts as a "training needs assessment" and will feed into the training provided to Members after the annual meeting).

Appendix 1

Audit and Governance Committee Terms of Reference and Powers

1. To approve the Council's Annual Statement of Accounts, including the income and expenditure account, balance sheet and cash flow statement.
2. To consider and approve, on behalf of the council the external auditor's Annual Governance Report.
3. To approve the Internal Audit Charter, Internal Audit Plan and Performance Indicators
4. To review summary internal audit reports and any significant issues arising and recommend appropriate actions in response.
5. To consider the Head of Internal Audit's annual report and opinion and the level of assurance it can give over the Council's Corporate Governance Arrangements.
6. To consider reports dealing with the management and performance of internal audit.
7. To monitor and keep under review the Council's arrangements to secure value for money.
8. To monitor and keep under review the Council's Risk Management arrangements.
9. To monitor and keep under review the effectiveness of the Council's anti-fraud and corruption arrangements (including the consideration of an annual report summarising the Council's actions in relation to good conduct and anti-fraud and corruption).
10. To monitor and keep under review treasury management arrangements to ensure that the treasury management strategy and policies follow the CIPFA code of practice and are scrutinised in detail before being accepted by the Council.
11. To receive and approve treasury management practices and schedules.
12. To monitor and review the Council's assurance statements, including the Council's Code of Governance and the Annual Governance Statement, to ensure that they properly reflect the risk environment and any actions required to improve it, and to monitor management action in response to the action plan arising from it
13. To consider the reports of external audit and inspection agencies insofar as they affect the Council's Corporate Governance Arrangements.
14. To monitor management action in response to issues raised by external audit.
15. To comment on the scope and depth of external audit work and to ensure it gives value for money.
16. To commission work from internal and external audit.
17. To review any issue referred to it by the Chief Executive or a Director and any Council body.
18. To consider the Council's compliance with its own and other published standards and controls.

19. To refer items to the Audit Working Group for detailed consideration.
209. To produce an annual report for full council summarising its work during the year.
21. To provide at each meeting the opportunity to have a private meeting with only the external and internal auditors present.
22. To monitor and keep under review the Council's arrangements for partnership governance

Appendix 2: Evaluating the Effectiveness of the Audit Committee

Assessment key

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| 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 | Clear evidence from some sources that the committee is actively and effectively supporting improvement across some aspects of this area. |
| 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. |
| 2 | There is some evidence that the committee has supported improvements, but the impact of this support is limited. |
| 1 | No evidence can be found that the audit committee has supported improvements in this area. |

Areas where the audit committee can add value by supporting improvement	Examples of how the audit committee can add value and provide evidence of effectiveness	Self-evaluation, examples, areas of strength and weakness	Overall assessment: 1-5 See key above
<p>Promoting the principles of good governance and their application to decision making.</p>	<p>Providing robust review of the AGS and the assurances underpinning it.</p> <p>Working with key members/governors to improve their understanding of the AGS and their contribution to it.</p> <p>Supporting reviews/audits of governance arrangements.</p> <p>Participating in self-assessments of governance arrangements.</p> <p>Working with partner audit committees to review governance arrangements in partnerships.</p>	<p>Areas of strength:</p> <p>The Audit Committee reviews the Code of Corporate Governance, the AGS and the assurances underpinning it.</p> <p>The audit plan is explicitly linked to the code of governance includes a cyclical programme to review assurances required for the AGS</p> <p>The Audit Committee periodically reviews the AGS action plan</p> <p>Partnership governance is included in the Audit Committee’s Terms of reference, and governance arrangements relating to key partnerships are included in the work programme</p> <p>When determining the annual work programme key and emerging governance issues are considered.</p> <p>Areas for development:</p>	<p>4</p>

Prepare a “popular” version of the annual report demonstrating the importance of good governance to the wider Council and to partners

Areas where the audit committee can add value by supporting improvement	Examples of how the audit committee can add value and provide evidence of effectiveness	Self-evaluation, examples, areas of strength and weakness	Overall assessment: 1-5 See key above
<p>Contributing to the development of an effective control environment.</p>	<p>Monitoring the implementation of recommendations from auditors.</p> <p>Encouraging ownership of the internal control framework by appropriate managers.</p> <p>Raising significant concerns over controls with appropriate senior managers.</p>	<p>The Audit Committee monitors and challenges senior officers on recommendations in audit reports.</p> <p>It receives reports on recommendation implementation and requires officers to come and explain to committee where there is significant delay in implementing agreed recommendations.</p> <p>It looks at audit reports of concern in detail and calls officers to explain their responses and actions to improve control where there are weaknesses.</p> <p>Being proactive in asking officers for a report of impact of COVID-19 on the control environment and the decision making process</p>	<p>5</p>

Areas where the audit committee can add value by supporting improvement	Examples of how the audit committee can add value and provide evidence of effectiveness	Self-evaluation, examples, areas of strength and weakness	Overall assessment: 1-5 See key above
<p>Supporting the establishment of arrangements for the governance of risk and for effective arrangements to manage risks.</p>	<p>Reviewing risk management arrangements and their effectiveness, e.g., risk management benchmarking.</p> <p>Monitoring improvements.</p> <p>Holding risk owners to account for major/strategic risks.</p>	<p>Review updates to the risk framework</p> <p>The strategic risk register is reviewed by the committee at two meetings per year.</p> <p>The committee holds managers to account for how they are identifying and dealing with their risks.</p> <p>Challenge managers if risk scores have not changed over time, or actions not implemented.</p> <p>Areas for development:</p> <p>Use Annual Report of committee to prepare a “popular” version setting out our requirements for effective risk management, for wide distribution to managers within the Council.</p>	<p>5</p>

Areas where the audit committee can add value by supporting improvement	Examples of how the audit committee can add value and provide evidence of effectiveness	Self-evaluation, examples, areas of strength and weakness	Overall assessment: 1-5 See key above
<p>Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively.</p>	<p>Specifying its assurance needs, identifying gaps or overlaps in assurance.</p> <p>Seeking to streamline assurance gathering and reporting.</p> <p>Reviewing the effectiveness of assurance providers, e.g., internal audit, risk management, external audit</p> <p>.</p>	<p>Review the effectiveness of Internal Audit via a regular progress report, and the Annual Head of Internal Audit Report</p> <p>Receive regular update reports from External Audit.</p> <p>Receive an annual report on the effectiveness of risk management arrangements.</p> <p>Code of corporate governance and the AGS is based on the three line of defence model of assurance, including the outcome of external inspections.</p> <p>Reviewed the various boards and groups which contribute to the assurance framework</p> <p>Areas for development:</p> <p>Receive a fully developed Assurance Map in relation to the Council’s overall arrangements for internal control (work is being developed and updated)</p>	<p>5</p>

Areas where the audit committee can add value by supporting improvement	Examples of how the audit committee can add value and provide evidence of effectiveness	Self-evaluation, examples, areas of strength and weakness	Overall assessment: 1-5 See key above
<p>Supporting the quality of the internal audit activity, particularly by underpinning its organisational independence.</p>	<p>Reviewing the audit charter and functional reporting arrangements.</p> <p>Assessing the effectiveness of internal audit arrangements and supporting improvements.</p>	<p>Review the annual charter on annual basis.</p> <p>Review the annual audit plan, where appropriate challenging the level of coverage and resource</p> <p>Reviewing the effectiveness of Internal audit and the outcome of its Quality Assurance Improvement Programme, including the outcome of the five yearly external review of internal audit (successful review carried out in March 2018)</p>	<p>5</p>

Areas where the audit committee can add value by supporting improvement	Examples of how the audit committee can add value and provide evidence of effectiveness	Self-evaluation, examples, areas of strength and weakness	Overall assessment: 5 – 1 See key above
<p>Aiding the achievement of the authority’s goals and objectives through helping to ensure appropriate governance, risk, and control and assurance arrangements.</p>	<p>Reviewing major projects and programmes to ensure that governance and assurance arrangements are in place.</p> <p>Reviewing the effectiveness of performance management arrangements.</p>	<p>The Audit Committee receives briefings from officers to talk issues such as financial resilience, performance management arrangements and governance arrangements for major projects.</p> <p>The Committee has developed its work programme to support the changing Council agenda including the changes in arrangements for governance and management of Adult Social Care.</p>	<p>4</p>

Areas where the audit committee can add value by supporting improvement	Examples of how the audit committee can add value and provide evidence of effectiveness	Self-evaluation, examples, areas of strength and weakness	Overall assessment: 5 – 1 See key above
<p>Supporting the development of robust arrangements for ensuring value for money.</p>	<p>Ensuring that assurance on value for money arrangements is included in the assurances received by the audit committee.</p> <p>Considering how performance in value for money is evaluated as part of the AGS.</p>	<p>It receives an annual report on VFM arrangements.</p> <p>It raises questions in relation to VFM when it receives reports from officers on a range of issues.</p> <p>VFM is an element of the AGS, which is considered by the Audit Committee.</p> <p>In March 2021 the audit committee working group received an update on the new external audit requirements in relation to the VFM opinion</p> <p>In September 2021 it received a report of the governance arrangements relating to the delivery of the MTFP.</p> <p>.</p>	<p>4</p>

Areas where the audit committee can add value by supporting improvement	Examples of how the audit committee can add value and provide evidence of effectiveness	Self-evaluation, examples, areas of strength and weakness	Overall assessment: 5 – 1 See key above
<p>Helping the authority to implement the values of good governance, including effective arrangements for countering fraud and corruption risks.</p>	<p>Reviewing arrangements against the standards set out in CIPFA’s Managing the Risk of Fraud (Red Book 2).</p> <p>Reviewing fraud risks and the effectiveness of the organisation’s strategy to address those risks.</p> <p>Assessing the effectiveness of ethical governance arrangements for both staff and governors.</p>	<p>The Audit Committee receives the Annual fraud report which demonstrates how the Council’s arrangements comply with guidance as CIPFA’s managing the risk of fraud</p> <p>The Audit Committee receives two updates a year in relation to anti-fraud activity and widely publicises anti-fraud activity when it approves the annual fraud report, as a measure to discourage fraud.</p> <p>The Annual Report of the Standards Committee is circulated to Audit Committee members.</p>	<p>5</p>

Areas where the audit committee can add value by supporting improvement	Examples of how the audit committee can add value and provide evidence of effectiveness	Self-evaluation, examples, areas of strength and weakness	Overall assessment: 5 – 1 See key above
<p>Promoting effective public reporting to the authority’s stakeholders and local community and measures to improve transparency and accountability.</p>	<p>Improving how the authority discharges its responsibilities for public reporting, for example, better targeting at the audience, plain English.</p> <p>Reviewing whether decision making through partnership organisations remains transparent and publicly accessible and encouraging greater transparency</p>	<p>The committee has noted improvements in the readability of reports and a reduction in jargon. The Audit Committee does challenge all major partnership governance arrangements (LIL, Engie, CCG), and asks partners to come and talk about their governance and answer the committee’s questions.</p> <p>Seeks assurance from each major partnership that it meets the requirements of the partnership protocol</p> <p>In 2020/21 it received a briefing paper on the Redmond Report into the arrangements for external audit and transparency in financial reporting</p>	<p>4</p>

Areas where the audit committee can add value by supporting improvement	Examples of how the audit committee can add value and provide evidence of effectiveness	Self-evaluation, examples, areas of strength and weakness	Overall assessment: 5 – 1 See key above
<p>Overall, the role of the Audit and Governance Committee is understood, and it is able to demonstrate how it adds value</p>	<p>The role and purpose of the audit committee understood and accepted across the authority.</p> <p>Meetings effective with a good level of discussion and engagement from all the members</p> <p>The committee engage with a wide range of leaders and managers, including discussion of audit findings, risks, and action plans with the responsible officers?</p> <p>The committee make recommendations for the improvement of governance, risk and control and are these acted on</p> <p>There is an appropriate mix of knowledge and skills amongst the membership.</p>	<p>The terms of reference of the Committee are regularly reviewed and agreed by the Full Council.</p> <p>The annual report of the committee is personally presented to full Council by the Chair, and periodic meetings take place with members of Scrutiny to ensure the respective roles of the committees are clear and complementary.</p> <p>A wide range of officers are attending the Committee by invitation, from the Chief Executive to Service Managers. The Portfolio Holder for Finance and Governance has a standing invitation to the Committee to hear at first hand audit considerations, and if appropriate to respond to them.</p> <p>The Committee membership includes those with relevant professional skills and qualifications, and members with extensive experience of governance within and outside local government.</p>	<p>4</p>

It has good working relations with key people and organisations, including external audit, internal audit, and the CFO.

Regular discussions are held, both at Committee and outside formal meetings, with the CFO, Head of Internal Audit, and the Partner leading External Audit.

Areas for development (ongoing)

Liaising with Group Leaders to ensure Committee membership remains appropriately skilled and experienced following the annual meeting of the Council.

Identify further training opportunities for committee members to enable wider participation in discussion and questioning in more complex technical areas that fall within the committee's terms of reference. This is a continuing development action the precise nature of which depends on the membership from year to year which in 2022 will be informed by Committee member response to the self-assessment questionnaire.