

For publication

**Annual Self-Assessment of the Standards and Audit Committee /
CIPFA's Audit Committees Practical Guidance for Local
Authorities and Police 2018 Edition**

Meeting: Standards and Audit Committee

Date: 25th July 2018

Cabinet portfolio: Governance

Report by: Internal Audit Consortium Manager

For publication

1.0 Purpose of report

- 1.1 To present for members' information CIPFA's "Audit Committees Practical Guidance for Local Authorities and Police 2018 Edition" and to enable the Committee to undertake a self-assessment.

2.0 Recommendations

- 2.1 That the report be noted.
- 2.2 That any actions identified during the self-assessment of the Audit Committee are documented and brought back to the next Committee meeting in the form of an action plan.

3.0 Report details

3.1 CIPFA have recently produced new guidance in respect of Audit Committees (Appendix 1). The publication sets out CIPFA's guidance on the function and operation of audit committees in local authorities and represents best practice for audit committees throughout the UK. This guidance replaces the previous 2013 guidance.

3.2 The guidance contains a number of chapters:-

- Introduction
- CIPFA's Position Statement : Audit Committees in Local Authorities and Police
- The purpose of Audit Committees
- The core functions of an Audit Committee
- Possible wider functions of an Audit Committee
- Independence and Accountability
- Membership and effectiveness

3.3 At Page 73 Appendix D of CIPFA'S publication there is a self-assessment of good practice. This provides a high level review that incorporates the key principles set out in CIPFA's position statement and publication. 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 essential factors in developing an effective audit committee.

3.4 In May 2017 the Standards and Audit Committee undertook their first self-assessment. The resulting action plan from this assessment can be seen at Appendix 2 along with the progress made to date.

- 3.5 It is now proposed that the self-assessment of good practice in the new guidance is completed. Appendix 3 is a replication of the new self -assessment of good practice and is ready to be completed. Most of the questions are the same as those from the 2013 self-assessment however there have been a few additions.

4.0 Alternative options and reasons for rejection

- 4.1 The report is for information.

5.0 Recommendations

- 5.1 That the report be noted.
- 5.2 That any actions identified during the self-assessment of the Audit Committee are documented and brought back to the next Committee meeting in the form of an action plan.

6.0 Reasons for recommendations

- 6.1 To inform Members of CIPFA'S new publication "Audit Committees Practical Guidance for Local Authorities and Police 2018 Edition" .
- 6.2 To enable The Standards and Audit Committee to undertake a self-assessment.

Decision information

Key decision number	N/A
Wards affected	All
Links to Council Plan priorities	This report links to the Council's priority to provide value for money services.

Document information

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Background documents These are unpublished works which have been relied on to a material extent when the report was prepared.		
Appendices to the report		
Appendix 1	Audit Committees Practical Guidance for Local Authorities and Police 2018 Edition	
Appendix 2	Standards and Audit Committee May 2017 self-assessment action plan update	
Appendix 3	Audit Committee self-assessment July 2018	