

For publication

CIPFA's Audit Committees Practical Guidance for Local Authorities and Police
2018 Edition including a self - assessment

Meeting: Standards and Audit Committee

Date: 25th November 2020

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 members to undertake a self-assessment.

2.0 Recommendations

2.1 That the report be noted.

2.2 That members complete the self- assessment before the next meeting of the committee and forward any comments to the Internal Audit Consortium Manager, the Monitoring Officer and the Chair of the Committee.

2.3 That a report be brought to the next Audit Committee summarising the comments made and formulating an action plan (if required) for approval.

3.0 **Report details**

- 3.1 CIPFA's Audit Committee guidance is attached as Appendix A. 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.
- 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 July 2018 the Standards and Audit Committee undertook the self-assessment at Appendix B. At this time, the action plan arising from the 2017 review had been fully implemented and there were no further points arising.
- 3.5 It is proposed that the self-assessment of good practice is now completed again and if necessary, an action plan for improvement be developed following this exercise. It is recommended that members complete the self

-assessment before the next meeting and forward any comments they may have in relation to the self-assessment questions to the Internal Audit Consortium Manager, the Monitoring Officer and the Chair of the Committee. The comments will then be reviewed and incorporated into an action plan to be brought to the next committee meeting.

4 Alternative options and reasons for rejection

4.1 It is not mandatory to complete a self-assessment however it is best practice and helps to evidence that the Committee takes its roles and responsibilities seriously and seeks to perform its role in line with CIPFA guidance.

5 Recommendations

5.1 That the report be noted.

5.2 That members complete the self- assessment before the next meeting of the committee and forward any comments to the Internal Audit Consortium Manager, the Monitoring Officer and the Chair of the Committee.

5.3 That a report be brought to the next Audit Committee summarising the comments made and formulating an action plan (if required) for approval.

6 Reasons for recommendations

6.1 To enable the Standards and Audit Committee to undertake a self-assessment. The self- assessment will demonstrate where best practice is occurring and identify any potential areas of weakness that can be addressed via an action plan.

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.
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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 A	Audit Committees Practical Guidance for Local Authorities and Police 2018 Edition
Appendix B	Audit Committee self- assessment November 20
Appendix C	Article 9 The Standards and Audit Committee (Terms of Reference)