
REPORT TO:	AUDIT SUB-COMMITTEE	AGENDA ITEM: 7
DATE OF MEETING:	06 SEPTEMBER 2023	CATEGORY: RECOMMENDED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	TRACY BINGHAM tracy.bingham@southderbyshire.gov.uk (01283 595811)	DOC: h/CJ/governance/AGS/2022/AGS committee report
SUBJECT:	AUDIT COMMITTEE SELF-ASSESSMENT	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: AS 02

1.0 Recommendations

- 1.1 That the Audit Sub-Committee:
- a) Notes the report; and
 - b) Considers forming an informal member working group to undertake a self-assessment of good practice and report back to a future Audit Sub-Committee meeting.

2.0 Purpose of Report

2.1 The purpose of the report is to share the updated guidance and agree to complete the self-assessment via an informal working group, the results of which will, together with officers' review of the updated guidance, inform an action plan for consideration and approval at a future meeting of the Committee.

3.0 Detail

- 3.1 In 2022, the Chartered Institute of Public Finance & Accountancy (CIPFA) published a revised and updated edition of the document 'Audit Committees: Practical Guidance for Local Authorities and Police'.
- 3.2 Building on the previous 2018 version, the revised guidance aims to better focus the guidance for the most appropriate audience and for the first time has been produced in two sections.
- 3.3 The first section is specifically targeted towards members of an audit committee. The second section is a supplement to the member guidance and is designed for officers responsible for guiding and supporting audit committees and contains references to relevant resources with weblinks, additional information for officers to help ensure operations meet appropriate legislation and good practice and refers to relevant recommendations from the Redmond Review. Copies of both sections are appended to this report marked Appendix A and B respectively.

- 3.4 Included at Appendix C is the 2022 Position Statement on Audit Committees in local authorities which sets out roles and responsibilities and good practice principles for audit committees. CIPFA is clear that Audit Committees are a key component of an authority's governance framework, their purpose being to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements.
- 3.5 At appendices D and E are the impact and effectiveness evaluation tool and self-assessment of good practice. These set out key areas for self-assessment and evaluation including Audit Committee Purpose and Governance; Functions of the Audit Committee; Membership and Support; and Effectiveness of the audit committee.
- 3.6 It is important that the Council's Audit Committee demonstrates a high level of compliance with best practice guidance on Audit Committees to ensure that it can evidence its effectiveness as a scrutiny body and as a foundation for strong corporate governance. CIPFA expects that all local government bodies should make their best efforts to adopt the principles, aiming for effective Audit Committee arrangements.
- 3.7 It is recommended that Members note the updated guidance as set out and agree to meet informally to complete the self-assessment, the results of which will, together with officers' review of the updated guidance, inform an action plan for subsequent consideration and approval.

4.0 Financial Implications

- 4.1 None

5.0 Corporate Implications

- 5.1 None directly

6.0 Community Implications

- 6.1 None directly

7.0 Background Papers

- 7.1 None.