

## Evaluating the Effectiveness of the Audit and Governance Committee

Assessment key	
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 and Governance Committee can add value by supporting improvement	Examples of how the Audit and Governance 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 the principles of good governance and their application to decision making.</p>	<p><b>NEW: Supporting the development of a local code of corporate governance.</b></p> <p>Providing robust review of the Annual Governance Statement (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>Annual and ongoing input into the Risk Based Internal Audit Plan.</p> <p>Annual review, challenge and approve of the Annual Governance Statement, Local Code of Corporate Governance and assurance framework.</p> <p>The Committee monitors actions taken to address issues identified in the Annual Governance Statement.</p> <p>Receipt of the Chief Internal Auditor’s annual report on Internal Audit and Risk Management activity.</p>	

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		<p>Monitoring of internal / external audit work throughout the year.</p> <p>Governance arrangements with respect to partnerships are considered as part of the Annual Governance Statement process.</p>	
<p>Contributing to the development of an effective control environment.</p>	<p>Actively 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 Committee receives quarterly updates on all Internal Audit activity and management actions taken to address issues highlighted.</p> <p>Where a limited assurance opinion is provided on the control environment, management are requested to attend Committee to provide updates / assurance that Internal</p>	

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		<p>Audit recommendations have been implemented.</p> <p>Committee's Terms of Reference enables the above.</p>	
<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>The Committee's role is to be assured that there is an effective framework in place to manage risk. They are provided with an annual report on Risk Management activity which includes the status of the Strategic Risk Register.</p> <p>The Overview and Scrutiny Management Committee (OSMC) oversee ongoing actions taken to mitigate strategic risks associated with corporate objectives.</p>	

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		<p>One current Audit and Governance Committee members are also members of the Overview and Scrutiny Management Committee which enables two way dialogue between the committees and provides further assurance on effective management of risk.</p>	
<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>The Committee is proactive in requesting assurance work and contribution towards the development of the Risk Based Internal Audit Plan.</p>	

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		<p>The Committee has received the assurance framework i.e. the three lines of defence risk assurance model, as part of the Annual Governance Statement.</p>	
<p>Supporting the quality of the internal audit activity, particularly by underpinning its organisational independence.</p>	<p>Reviewing the audit charter, code of ethics and functional reporting arrangements.</p> <p>Assessing the effectiveness of internal audit arrangements, providing constructive challenge and supporting improvements.</p> <p>Actively supporting the quality assurance and improvement programme of internal audit.</p>	<p>The Internal Audit Charter (which defines the role, purpose and authority of the internal audit function) was approved by the Committee in April 2017, which requires the Chief Internal Auditor to provide an annual report on Internal Audit activity and performance against the Public Sector Internal Audit Standards which took effect from the 1st April 2013 (updated 2016).</p>	

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		Quarterly progress reports are also provided.	
Aiding the achievement of the authority’s goals and objectives through helping to ensure appropriate governance, risk, control and assurance arrangements.	<p><b>NEW Reviewing how the governance arrangements support the achievement of sustainable outcomes.</b></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 role of the Overview and Scrutiny Management Committee is to review the effectiveness of the performance management process including major progress and programmes. however the Committee are provided with an overview of these arrangements in the Annual Governance Statement.</p> <p>In addition Internal Audit undertake risk based internal auditing providing the relevant assurances (based on risk) on key projects / programmes.</p>	

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Supporting the development of robust arrangements for ensuring value for money.	<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>An annual report is received from the external auditor on their assessment of the Council's delivery of value for money.</p> <p>Value for money is fully considered and reported on in the Council's Annual Governance Statement.</p>	
Helping the authority to implement the values of good governance, including effective arrangements for countering fraud and corruption risks.	<p>Reviewing arrangements against the standards set out in the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014).</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 members.</p>	<p>Anti Fraud and Corruption Policy Statement and Strategy 2017 – 2019 (based on the CIPFA standards) presented to Committee in January 2017.</p> <p>Annual Governance Statement provides an overview on how fraud risks are managed.</p>	

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		Internal Audit provide quarterly updates relating to fraud / irregularity to the Committee.	
Promoting effective public reporting to the authority's stakeholders and local community and measures to improve transparency and accountability.	<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>Publishing an annual report from the Committee.</p>	<p>The Committee is open to members of the public to attend.</p> <p>All agendas and minutes of meetings are published.</p> <p>Audit and Governance Committee actively seek to ensure all public reports use plain english and appropriate language.</p> <p>The Committee publish an annual report to Council.</p>	