

Self-assessment of good practice

This appendix provides a high-level review that incorporates the key principles set out in CIPFA's Position Statement and this 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 the essential factors in developing an effective audit committee.

A regular self-assessment can be used to support the planning of the audit committee work programme and training plans. It can also inform an annual report.

Good practice questions		Yes	Partly	No
1	Does the authority have a dedicated audit committee?	Yes		
2	Does the audit committee report directly to full council? (applicable to local government only)	Yes		
3	Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's Position Statement?	Yes		
4	Is the role and purpose of the audit committee understood and accepted across the authority?	Yes		
5	Does the audit committee provide support to the authority in meeting the requirements of good governance?	Yes		
6	Are the arrangements to hold the committee to account for its performance operating satisfactorily?	Yes		
Functions of the committee				
7	Do the committee's terms of reference explicitly address all the core areas identified in CIPFA's Position Statement?			
	good governance	Yes		
	assurance framework, including partnerships and collaboration arrangements	Yes		
	<i>The Terms of Reference do not specifically reference assurance over partnership arrangements but Internal Audit has a remit to provide assurance over partnerships and collaborations, therefore it is implicitly covered.</i>			
	internal audit	Yes		
	external audit	Yes		
	financial reporting	Yes		
	risk management	Yes		
	value for money or best value	Yes		

Good practice questions		Yes	Partly	No
	counter fraud and corruption	Yes		
	supporting the ethical framework	Yes		
	<i>The Terms of Reference set out the Committee's role in counter-fraud and corruption activity but not explicitly a wider ethical framework. However as Internal Audit has a remit to provide assurance over ethical governance matters, this is implicitly covered.</i>			
8	Is an annual evaluation undertaken to assess whether the committee is fulfilling its terms of reference and that adequate consideration has been given to all core areas?	Yes		
9	Has the audit committee considered the wider areas identified in CIPFA's Position Statement and whether it would be appropriate for the committee to undertake them?	Yes		
10	Where coverage of core areas has been found to be limited, are plans in place to address this?	Yes		
11	Has the committee maintained its advisory role by not taking on any decision-making powers that are not in line with its core purpose?	Yes		
	Membership and support			
12	Has an effective audit committee structure and composition of the committee been selected? This should include: a. separation from the executive b. an appropriate mix of knowledge and skills among the membership – see Q16 c. a size of committee that is not unwieldy d. consideration has been given to the inclusion of at least one independent member (where it is not already a mandatory requirement)	Yes Yes	Yes Partly	
	<i>A Member Development Plan is in place following a skills self assessment undertaken in 2020/21 A report on possible inclusion of an independent member will be presented at this meeting.</i>			
13	Have independent members appointed to the committee been recruited in an open and transparent way and approved by the full council or the PCC and chief constable as appropriate for the organisation?	NA	NA	NA
	<i>There are currently no independent members.</i>			

APPENDIX A

14	Does the chair of the committee have appropriate knowledge and skills?	Yes		
15	Are arrangements in place to support the committee with briefings and training?	Yes		
16	Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory?		Yes	
	<i>A training and development programme is in place.</i>			
17	Does the committee have good working relations with key people and organisations, including external audit, internal audit and the CFO?	Yes		
18	Is adequate secretariat and administrative support to the committee provided?	Yes		
Good practice questions		Yes	Partly	No
Effectiveness of the Committee				
19	Has the committee obtained feedback on its performance from those interacting with the committee or relying on its work?		Partly	
20	Are meetings effective with a good level of discussion and engagement from all the members		Partly	
	<i>There is a good level of discussion in meetings but unfortunately there has been some non-attendance.</i>			
21	Does the committee engage with a wide range of leaders and managers, including discussion of audit findings, risks and action plans with the responsible officers?		Partly	
	<i>The Committee is able to invite leaders and managers to attend but in the 2020/21 financial year did not feel that this was necessary.</i>			
22	Does the committee make recommendations for the improvement of governance, risk and control and are these acted on?	Yes		
23	Has the committee evaluated whether and how it is adding value to the organisation?			No
24	Does the committee have an action plan to improve any areas of weakness?	Yes		
25	Does the committee publish an annual report to account for its performance and explain its work?	Yes		