



Doncaster Council

Report

Date: 28th April 2022

To the Chair and Members of the AUDIT COMMITTEE

AUDIT COMMITTEE ANNUAL REPORT 2021/22

EXECUTIVE SUMMARY

1. The production of an annual report allows the Audit Committee to demonstrate it has fulfilled its terms of reference and share its achievements with the whole Council. The production of such a report also complies with current best practice for audit committees. This report asks Members to note and approve the draft Audit Committee Annual Report for 2021/22, attached to this report.

Particular ways in which the Audit Committee has contributed during the year include:

- Helping to maintain and improve the Council's system of risk, governance and control by reviewing internal and external audit work carried out during the year.
- Supporting improvement in the Council's control arrangements by ensuring appropriate action is taken to implement management actions and holding officers to account where explanations over any lack of progress are required.
- Critically assessing the Council's governance arrangements and supporting the production of an accurate Annual Governance Statement.
- Supporting the maintenance of the good standards achieved in producing the Council's Statement of Accounts and its Audit within timescales not achieved by many other Local Authorities.
- Supporting the Council's antifraud and corruption arrangements and noting progress in this area as set out in the annual fraud report.
- Ensuring the Council's surveillance policies are kept up to date and reviewing surveillance carried out by the Council.

2. This Annual Report is a very encouraging report, recognising the positive outcomes achieved in an again challenging year, the positive assurance it has received over the Council's, risk, governance and control arrangements and the effective contribution made by the Audit Committee during the year.

EXEMPT REPORT

3. Not applicable, for information only.

RECOMMENDATION

4. The Audit Committee is asked to make comment on and consider for approval the attached Audit Committee Annual Report 2021/22 and for it to be suitably published.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

5. Effective oversight through the Audit Committee adds value to the Council's operations in managing its risks and achieving its key priorities.

BACKGROUND

6. The Audit Committee is a key part of the governance arrangements of the Council. It is appropriate that the important work of the Committee is shared with the rest of the Council and other stakeholders. The draft Annual Report of the Audit Committee, attached at **Appendix 1** to this report, sets out key aspects of the work undertaken by the Committee during 2021/22.

OPTIONS CONSIDERED

7. Not application, for information only.

REASONS FOR RECOMMENDED OPTION

8. Not applicable, for information only.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

9. A key role for the Audit Committee is to oversee the effectiveness of the management of risks and internal controls, which contributes to the successful achievement of the Council's objectives. Any improvement in the management of the risks will have a positive impact increasing the likelihood of the Council achieving these objectives and goals. The Audit Committee's work is, therefore, relevant to all priorities but in particular the following:

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	
	<p>Doncaster Living: Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> • The town centres are the beating heart of Doncaster • More people can live in a good quality, affordable home • Healthy and Vibrant Communities through Physical Activity and Sport • Everyone takes responsibility for keeping Doncaster Clean • Building on our cultural, artistic and sporting heritage 	
	<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> • Every child has life-changing learning experiences within and beyond school • Many more great teachers work in Doncaster Schools that are good or better • Learning in Doncaster prepares young people for the world of work 	
	<p>Doncaster Caring: Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes 	

	Outcomes	Implications
	<p>Connected Council:</p> <ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	<p>Effective oversight through the Audit Committee adds value to the Council operations in managing its risks and achieving its key priorities of improving services provided to the citizens of the borough</p> <p>The work undertaken by the Audit Committee improves and strengthens governance arrangements within the Council and its partners.</p>

RISKS AND ASSUMPTIONS

10. The Audit Committee contributes to the effective management of risks. The ways in which it does this are summarised in the attached draft report.

LEGAL IMPLICATIONS (Initials:SRF Date:04.04.22)

11. The Audit Committee is a key part of the Council's governance controls and the work it does contributes to the Council's overall responsibility to maintain an adequate and effective system of internal controls. Further specific legal advice can be provided on any matters arising as required.

FINANCIAL IMPLICATIONS (Initials: SJT Date:07.04.22)

12. There are no identified financial implications arising from this report.

HUMAN RESOURCES IMPLICATIONS (Initials: SH Date: 05.04.22)

13. There are no HR implications associated with this report.

TECHNOLOGY IMPLICATIONS (Initials: PW Date: 11.04. 22)

14. There are no identified technology implications arising from this report.

HEALTH IMPLICATIONS (Initials: RS Date:05.04.2022)

15. There is no direct health implication of this report. The health implications rest with the service areas to be audited as part of Internal Audit Plan 2021/22.

EQUALITY IMPLICATIONS (Initials: PRJ Date:17/03/22)

16. Whilst there are no identified equal opportunity issues within this report, all of the reports identified within the annual report would have been subject to their own relevant equalities implications assessment.

CONSULTATION

17. This report consults with the Audit Committee over the production of an Annual Report.

BACKGROUND PAPERS

18. Various Audit Committee Reports from July 2021 to April 2022 Audit Committees.

REPORT AUTHOR & CONTRIBUTORS

Peter Jackson, Head of Internal Audit
Telephone 01302 862938
E-Mail: peter.jackson@doncaster.gov.uk

Faye Tyas
Assistant Director of Finance

Annual Report of the Audit Committee 2021/22



Councillor Austen White
Chair of the Audit Committee, 2021/22

FOREWORD

I am pleased to present this report which highlights the contribution this Committee has made during 2021/22 to the achievement of good governance and internal control within the Council.

Our Audit Committee is a key component of Doncaster Council's Corporate Governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

The purpose of our Audit Committee is to provide independent assurance to the Council on the adequacy of the risk management framework and the internal control environment. It provides an independent review of Doncaster Council's governance, risk management and control frameworks, overseeing the financial reporting and annual governance processes. It also maintains oversight of internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

Where relevant, the Committee also makes recommendations for action to address any deficiencies identified by or reported to the Audit Committee. The Committee has requested officers to attend Committee meetings during the year to provide additional information on particular areas of concern.

Whilst this last year has felt a little less demanding than the previous unprecedented year, it has still had its own challenges which the Committee dealt with

through the continued active engagement with the Head of Internal Audit and other officers during this period to understand the nature and depth of challenges relevant to the committee.

We did this through; -

- Continuing with the longer, more detailed virtual training, briefing and updating sessions for committee members. This was particularly important with the appointment of four new Audit Committee members. I thank them for their attendance and contribution during this year.
- Continuing with more regular meetings between myself and the Vice Chair with the Head of Internal Audit
- Further informal discussions with officers regarding issues such as, central government grants to business and social care providers and ongoing progress over the North Bridge Stores Transformation Project and the implementation of management actions arising from the Trading Standards and Food and Animal Safety Reviews
- A much lower number of new actions have been raised again during this year due to the prioritised work of the Internal Audit Team resulting in :
 - More work has been done this year in checking that government grants have been properly paid over to recipients

which was a welcome change as I feel the meetings work much better in that forum.

We noted last year the continued improvement in risk governance and control in the Adults, Health and Wellbeing Directorate and I was pleased to note the implementation of their final management action during this year.

We were also reassured that the reporting of Contract Procedure Rule breaches and waivers within the Adult Social Care and Public Health settings had followed due processes. Assurance was given that these had arisen for justifiable reasons and that appropriate remedial actions were in hand.

We have concentrated attention on the management actions in the Trading Standards and Food and Animal Safety Reviews and it is reassuring in the final quarter of this year to receive much more positive reports in this area.

Within the wider Council, the Committee is pleased to note the much lower level of overdue management actions and understand these are due to several factors:

- Internal Audit and Directorate Management have continued the practice of rigorously pursuing the completion of all management agreed actions.
- Confirmation by External Audit that the Council has in place the arrangements required to achieve its objectives and deliver its services

- Increasing amounts of audits have resulted in substantial assurance opinions being given which have no/less management actions needed.
- Higher levels of advisory and investigative work have been carried out.
- Improvement in risk, governance and control is also apparent in the much reduced number of unplanned reports presented to committee which is particularly reassuring in these continuing unprecedented times.
- The area of greatest concern brought to the committee in the 2020/21 year was the ongoing concerns over the North Bridge Stores operations which were particularly highlighted in the storage and distribution of Personal Protective Equipment in the 2020/21 year. It has been reassuring to note the progress being made over this function through its Transformation Programme. I am seeking assurance of progress becoming embedded in this function in the next year through the Internal Audit Team.
- Another positive External Audit unqualified opinion on the Council's Statement of Accounts, delivered to challenging timescales and ahead of many other Local Authorities.

economically, effectively and efficiently through the new and more detailed approach to Value For Money.
- We have continued working well with our External Auditors, Grant Thornton, under the constraints of increasingly technical complex audit issues around property, plant and equipment valuations and also of pension funds. They also had the challenges of auditing virtually and other staffing issues caused by the COVID-19 pandemic. We appreciate this even more given the increasing challenges highlighted last year within the Redmond Review regarding the national shortage of suitably qualified and experienced staff in the Public Sector.
- A strong and positive Annual Governance Statement highlighting a reduced number of issues compared to previous years. The Committee has been provided with regular progress reports in this key area which has helped maintain our oversight of our key governance concerns.
- A strong and positive opinion from the Head of Internal Audit in his Annual Report; this is particularly reassuring during this ongoing challenging period.
- A reassuringly positive external review of our Internal Audit Service awarding the highest level of conformance to their relevant professional standards
- A strong and positive Annual Preventing and Detecting Fraud and Error report indicating low level values and incidents of fraud. This remains

particularly reassuring given the heightened risk of fraud due to the control arrangements being potentially weakened and the very high value of central government COVID-19 pandemic grant monies continued to be received during this year.

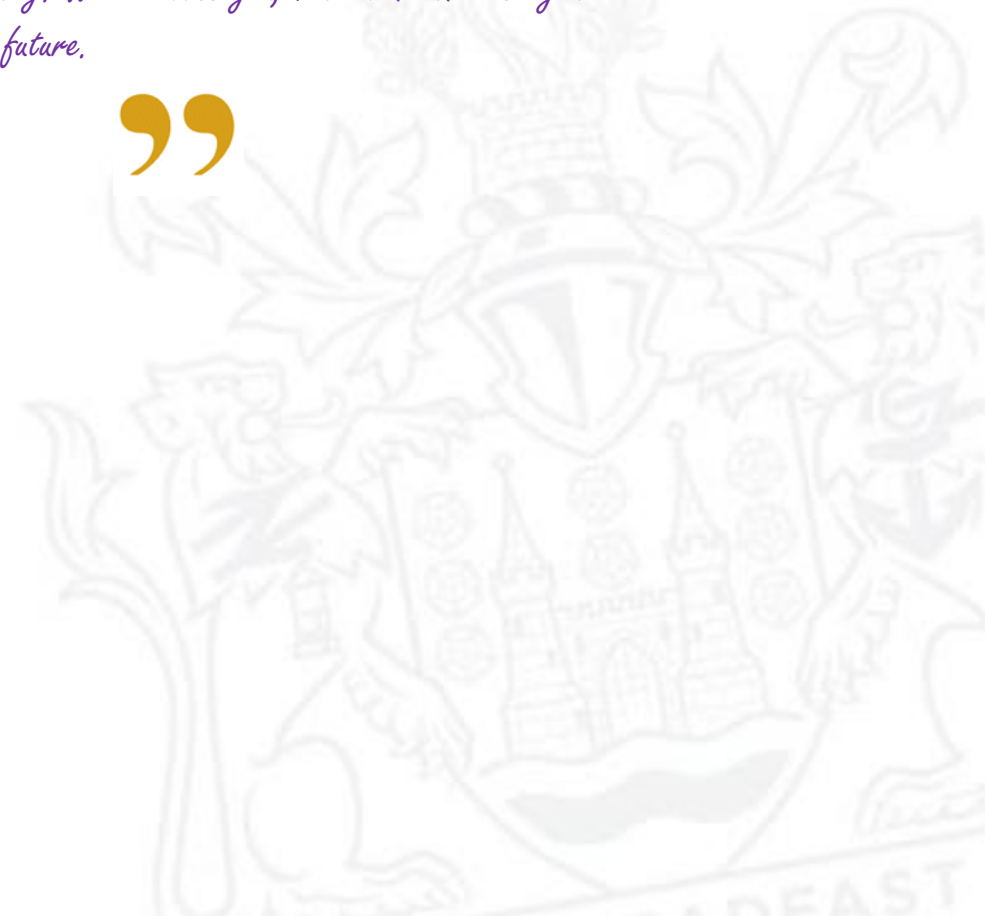
- A review of the effectiveness of the Audit Committee was carried out with positive outcomes. A further review and update of the Self-Assessment against best practice from CIPFA “Audit Committees / Practical Guidance for Local Authorities and Police” also was positive.

I finish this year’s foreword with a heartfelt thank you from myself personally and other members of the Audit Committee and Officers supporting the Committee to our outgoing first independent member of the Audit Committee, Katherine Smart.

Katherine has given eight years of extremely valuable help, support and guidance, both formally and informally. We will miss you, Katherine and wish you well in the future. We are pleased to welcome on board Dr Stuart Green as our newly recruited Independent Member of the Audit Committee pending formal appointment at Annual Council in May 2022 and look forward to the support and guidance that this role gives.

“*Katherine has given eight years of extremely valuable help, support and guidance, both formally and informally. We will miss you, Katherine and wish you well in the future.*”

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INTRODUCTION

This annual report on the work of the Council's Audit Committee shows:

- How the Audit Committee has fulfilled its terms of reference
- How the Council's arrangements comply with national guidance relating to audit committees
- How the Audit Committee has contributed to strengthening risk management, internal control and governance arrangements.

TERMS OF REFERENCE

During 2019, the Terms of Reference for the Audit Committee, were subject to a comprehensive review against guidance issued by Chartered Institute of Public Finance and Accountancy in 2018. The revisions adopted at the Annual Meeting of Council in May 2019 generally reflected terminology changes following auditing standards revisions. The new terms adopted still reflected local requirements with regard to discharging the role of the Standards Sub-Committee.

There were no changes made to the Terms of reference for the Audit Committee at the delayed Annual Meeting of Council in September 2020 or at the Annual Meeting of Council in May 2021.

The current Terms of Reference and more details about the responsibilities relating to Standards can be found on the Council's website.

COMMITTEE INFORMATION

The constitution and membership of the Audit Committee changed during the 2021/22 year.

Audit Committee Membership

The Committee has five elected members. At the start of the year, these were



Councillor Austen White (Chair)
Councillor Richard Jones (Vice Chair)
Councillor Charlie Hogarth
Councillor Tosh McDonald
Councillor David Nevett

Following the elections and subsequent committee appointment process, the following are the current five elected members:



Councillor Austen White (Chair)
Councillor Glenn Bluff (Vice Chair)
Councillor Barry Johnson
Councillor Sophie Liu
Councillor David Shaw

The Committee has one independent co-opted member with non-voting rights serving on the Audit Committee, Kathryn Smart.

Audit Committee Meetings

The Committee has met on six occasions during the year:



8th July 2021
29th July 2021
28th October 2021
26th November 2021
26th January 2022
28th April 2022

This frequency of meetings is agreed to ensure the Audit Committee can fulfil its responsibilities in an efficient and effective way.

The committee timetable has run broadly to pre-pandemic timings. The exception to this was the approval of the 2020/21 Statement of Accounts and to recommend the adoption of the 2020/21 Annual Governance Statement.

This was done at the November 2021 meeting of the Audit Committee making this meeting particularly important in the committee fulfilling one of its key responsibilities.

Various other reports are fundamental to the Audit Committee, including:



- Internal and External Audit Plans for the year.
- The External Auditor's Annual Audit Letter.
- The Head of Internal Audit's Annual Report.

The Audit Committee has fulfilled its mandatory obligations during 2021/22.

COMMITTEE ACHIEVEMENTS

A list of the reports considered by the Audit Committee can be found in **Appendix A**.

The main outcomes of the Committee's work in relation to its core functions and discharging its terms of reference can be summarised as follows:



Internal Audit

The Audit Committee:

- Received and considered the 2021/22 Annual Report of the Head of Internal Audit, which included his opinion on the Council's Risk, Governance and control arrangements.
- Received and considered regular reports from the Head of Internal Audit on the Internal Audit Team's progress in delivering the planned work and summaries of reports issues and approved any necessary changes to the plan as a result of new and emerging risks, special investigations and the ongoing Covid pandemic. The reports also provided monitoring information on the implementation of agreed audit recommendations.
- Read and considered the External Quality Assessment of the Council's Internal Audit Service
- Received and considered the Counter Fraud Report
- Continued to provide support to the Internal Audit Team to ensure management was responsive to agreed actions arising from audit recommendations. This was particularly notable for the Trading Standards and Food and Animal Safety areas where significant delays had been reported.
- Agreed the Internal Audit Annual Plan for 2022/23.

External Audit

The Audit Committee:

- Received and considered reports on the External Auditor's progress and sector update
- Received and considered a report over Arrangements for the Appointing of External Auditors
- Received and considered report to Those Charged With Governance (ISA 260 Report) 2020/21.
- Received and considered report over the Auditor Annual Report
- Received and considered report covering the Audit Plan 2020/21
- Continued to provide support to the External Auditors to ensure management was responsive to recommendations made and agreed.

The positive assurance from these reports were particularly helpful in this year again where the Council's risk governance and control arrangements continued to be put to such tests.

Regulatory Framework and Ethical Governance

The Audit Committee has:

- Considered and noted the Audit Committee Prospectus, Terms of Reference and Work Programme.
- Noted and approved the Annual Report of the Audit Committee.
- Overseen the production of and recommended the adoption of the Annual Governance Statement.

- Received reports on Compliance with the Council's Contract Procedure Rules, including breaches and waivers of these Rules.
- Received and considered the Preventing and Detecting Fraud and Error Report for the Council.
- Received regular reports on surveillance conducted by the Council under the Regulation of Investigatory Powers Act 2000.
- Considered and noted the Annual report of the Monitoring Officer.

Core Function - Accounts

The Audit Committee has:

- Received reports on the Statement of Accounts and accounting policies used to prepare the accounts.
- Approved the Statement of Accounts by the Section 151 Officer
- Received and considered reports from the External Auditor on the Statement of Accounts.

Other Issues

The Audit Committee also considered reports on the following specific issues which arose in the period:

- Progress Reports on North Bridge Stores Transformation Project
-

Compliance with Best Practice

During 2018/19 and 2019/20 a self-assessment was carried out against checklists from the Chartered Institute of Public Finance and Accountancy (CIPFA) guidance

“Audit Committees / Practical Guidance for Local Authorities and Police 2018 Edition.”

This identified the committee was generally operating to best practice with minimal actions to develop the committee further.

Following the elections and subsequent appointments process in May 2021, there were four new appointments to the Audit Committee. There was a general induction to all new councillors followed by an induction and refresher session for all Audit Committee members in May 2021.

A review of the Effectiveness of the Audit Committee was undertaken in March 2022 which confirmed compliance with best practice. A record of this assessment is attached at Appendix B. A further questionnaire was completed which acknowledged the experience of the Chair and Independent Member supporting the incoming new members of the Committee.

All Audit Committee members completed a skills and knowledge self-assessment and any training needs were identified and appropriate action taken

All audit committee meetings have been held in person in our Council Chamber for this year unlike the previous year whereas the training and updates sessions which were provided to the Audit Committee have been maintained virtually. The training and update sessions were based around the agenda items being considered at the forthcoming committee meeting so members had an understanding of the background to these areas. Topics included:

- Accounts Preparations and Training/Awareness on the Statement of Accounts

- Background to the North Bridge Stores Transformation Project
- Preparation of the Draft Annual Governance Statement
- Work of the Internal Audit Team
- Work of the External Auditor including an update on the Redmond Review and Value for Money Assessment work
- Work of the Strategic Procurement team and Contract Procedure Rules.
- Self-assessment against best practice for audit committees
- Internal Audit Planning 2022/23
- Head of Internal Audit Opinion for 2021/22
- Governance Updates



AUDIT COMMITTEE ACTIVITY – 2021/22

Appendix A

Agenda Item	8 th July 2021	29 th July 2021	28 th Oct 2021	26 th Nov 2021	26 th Jan 2022	28 th Apr 2022
Audit Committee Actions Log	Received	Received	Received	Received	Received	Received
Annual Report of the Monitoring Officer 2020/21	Received					
Unaudited Statement of Accounts 20120/201	Received					
Audit Committee Prospectus, Terms of Reference and Work programme 2021/22	Received					
Covert Surveillance – Regulation of Investigatory Powers Act 2000 (RIPA) Update		Received			Received	
2020/21 Draft Annual Governance Statement – Progress Update		Received				
Internal Audit Strategy and Internal Audit Charter		Received	Received			
Internal Audit Progress Report for the period: April 2021 to June 2021		Received				
Progress Report on North Bridge Stores Transformation Project		Received	Received		Received	Received
Grant Thornton – Audit Committee Progress Report and Sector Update		Received	Received			
Summary Report on Action Following the in-quorate Audit Committee Meeting on 29 th July 2021			Received			
Breaches and Waivers to the Council’s Contract Procedural Rules March 2021 to August 2021			Received			
Internal Audit Progress Report for the period: July 2021 to September 2021			Received			
Audit Planning Risk Assessment and Accounting Estimates			Received			
Arrangements for the Appointing of External Auditors			Received			
Statement of Accounts and Annual Governance Statement 2020/21 – Draft ISA 260 Report to Those Charged With Governance				Received		
Preventing and Detecting Fraud and Error: October 2020 to September 2021				Received		
External Quality Assessment of the Council’s Internal Audit Service					Received	
Internal Audit Progress Report for the Period: October to December 2021					Received	
Annual Report of the Monitoring Officer 2021/22						Received
Breaches and Waivers to the Council’s Contract Procedural Rules September 2021 to February 2022						Received
Draft Annual Governance Statement 2021/22						Received
Audit Committee Annual Report 2021/22						Received
Annual Report of the Head of Internal Audit 2021/22						Received
Counter Fraud Activity Report 2021/22						Received
Internal Audit Plan 2022/23						Received
External Auditor (Grant Thornton) Auditor Annual Report 2020/21						Received
External Auditor (Grant Thornton) Audit Plan 2021/22 and Arrangements for the preparation of the 2021/22 Accounts						Received
Appointment of the independent Co-opted member of the Audit Committee						Received

Evaluating the effectiveness of the audit 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 committee can add value by supporting improvement	Examples of how the audit committee can add value and provide evidence of effectiveness	Self-evaluation, examples, areas of strength and weakness	Overall assessment: 5 – 1 See key above
1. Promoting the principles of good governance and their application to decision making	■ Supporting the development of a local code of governance	Local Code of Governance approved 2018 and reviewed in October 2020 and March 2021	5
	■ Providing robust review of the AGS and the assurances underpinning it	Supporting arrangements for production of AGS and checking and challenging on items included on the statement and on update reports to each committee	5
	■ Working with key members to improve their understanding of the AGS and their contribution to it	Supporting arrangements for production of AGS and checking and challenging on items included on the statement and on update reports to each committee	4
	■ Supporting reviews/audits of governance arrangements	Attending separate briefing on the production of the AGS in addition to considering Audit Committee reports	4

<ul style="list-style-type: none"> ■ Participating in self-assessments of governance arrangements 	All such reviews supported	4
<ul style="list-style-type: none"> ■ Working with partner audit committees to review governance arrangements in partnerships 	Self-assessments of Audit Committee completed in 2019 and 2021 and 2022. No other areas identified	4
	Limited scope for benefit – arrangements at SLHD working well. Separate governance / improvement arrangements in place with DCST	

Areas where the audit committee can add value by supporting improvement	Examples of how the audit committee can add value and provide evidence of effectiveness	Self-evaluation, examples, areas of strength and weakness	Overall assessment See key above
2. Contributing to the development of an effective control environment	<ul style="list-style-type: none"> ■ Actively monitoring the implementation of recommendations from auditors 	Very highly supportive to auditors especially internal audit – conveyed concerns to Chief Executive again in 2022 – regularly call officers to account	5
	<ul style="list-style-type: none"> ■ Encouraging ownership of the internal control framework by appropriate managers 	Calling managers to account at audit committee	5
	<ul style="list-style-type: none"> ■ Raising significant concerns over controls with appropriate senior managers 	Seeking further updates on areas of concern	5

3. Supporting the establishment of arrangements for the governance of risk and for effective arrangements to manage risks	<ul style="list-style-type: none"> ■ Reviewing risk management arrangements and their effectiveness, e.g. risk management benchmarking 	Active engagement with risk management including contributing to policy review and risk appetite etc.	4
	<ul style="list-style-type: none"> ■ Monitoring improvements 	Yes – e.g. monitoring implementation of AGS actions and from auditors	4
	<ul style="list-style-type: none"> ■ Holding risk owners to account for major/strategic risks 	Each Director during 2017/18 had to report on management of their key risks	3
4. Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively	<ul style="list-style-type: none"> ■ Specifying its assurance needs, identifying gaps or overlaps in assurance 	review of internal and external audit plans, AGS other review bodies, eg OFSTED	3
	<ul style="list-style-type: none"> ■ Seeking to streamline assurance gathering and reporting ■ Reviewing the effectiveness of assurance providers, eg internal audit, risk management, external audit 	Approved streamlined AGS process – review of IA and EA work External Quality Assessment of Internal Audit in 21/22 v positive – Risk Management framework to be reviewed by committee early 22/23. External Audit subject to much more rigorous checks	3 – further work beneficial in this area as confirmed in CIPFA Role of Head of Internal Audit 2019 – CIPFA SIG to provide further advice 3
5. Supporting the quality of the internal audit activity, particularly by underpinning its organisational independence	<ul style="list-style-type: none"> ■ Reviewing the audit charter and functional reporting arrangements 	Review of the charter an during External Quality Assessment confirmed organisational independence	5
	<ul style="list-style-type: none"> ■ Assessing the effectiveness of internal audit arrangements, 	External review of internal audit gave encouraging	5

providing constructive challenge and supporting improvements

feedback Challenge on progress reports ensuring assurance over sufficient resources and review of internal audit plans

- Actively supporting the quality assurance and improvement programme of internal audit

external assurance review and quality assurance Improvement plan – action plan reported and monitored

4

Areas where the audit committee can add value by supporting improvement	Examples of how the audit committee can add value and provide evidence of effectiveness	Self-evaluation, examples, areas of strength and weakness	Overall assessment: 5 – 1 See key above
6. Aiding the achievement of the authority's goals and objectives through helping to ensure appropriate governance, risk, control and assurance arrangements	<ul style="list-style-type: none"> ■ Reviewing how the governance arrangements support the achievement of sustainable outcomes 	This is a standard paragraph for all corporate reports	4
	<ul style="list-style-type: none"> ■ Reviewing major projects and programmes to ensure that governance and assurance arrangements are in place 	Capital programme is covered in budget approved by full council and other oversight arrangements	4
	<ul style="list-style-type: none"> ■ Reviewing the effectiveness of performance management arrangements 	Covered through quarterly performance reports reported through to cabinet	4
7. Supporting the development of robust arrangements for ensuring value for money	<ul style="list-style-type: none"> ■ Ensuring that assurance on value for money arrangements is included in the assurances received by the audit committee 	External Auditor concluded very positively in Annual Audit Report in greater depth than previous years in accordance with revised standards.	4
	<ul style="list-style-type: none"> ■ Considering how performance in value for money is evaluated as part of the AGS 	All corporate reports include financial implications. AGS has section covering VFM	3

8. Helping the authority to implement the values of good governance, including effective arrangements for countering fraud and corruption risks	<ul style="list-style-type: none"> ■ Reviewing arrangements against the standards set out in the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014) 	Policies in place meet standards and are set out in annual preventing fraud and error report	4
	<ul style="list-style-type: none"> ■ Reviewing fraud risks and the effectiveness of the organisation's strategy to address those risks 	Fraud risks reviewed annually by IA and reported as part of annual counter fraud report and informs IA counter fraud planning process. Further review undertaken to ensure meeting standards set out in Fighting Fraud Locally are being met with an action plan where arrangements can be strengthened	4
	<ul style="list-style-type: none"> ■ Assessing the effectiveness of ethical governance arrangements for both staff and governors 	Full suite of policies and procedures are available for staff and councillors	3 – promote the work of the committee and encourage wider attendance

Areas where the audit committee can add value by supporting improvement	Examples of how the audit committee can add value and provide evidence of effectiveness	Self-evaluation, examples, areas of strength and weakness	Overall assessment: 5 – 1 See key above
9. Promoting effective public reporting to the authority's stakeholders and local community and measures to improve transparency and accountability	<ul style="list-style-type: none"> Improving how the authority discharges its responsibilities for public reporting; for example, better targeting at the audience, plain English 	Continued reminders to use plain English, avoiding acronyms All agendas published on internet – recording accessible of all meetings	4
	<ul style="list-style-type: none"> Reviewing whether decision making through partnership organisations remains transparent and publicly accessible and encourages greater transparency 	Clearly set out process for reporting in place and under review	3
	<ul style="list-style-type: none"> Publishing an annual report from the committee 	Audit committee annual report published for several years	4