

Audit Committee – 23 November 2020

Review of the Effectiveness of the Audit Committee

1. Summary of the report

- 1.1 This reports follows on from the previous year’s review of the effectiveness of Audit Committee and provides the committee with an updated effectiveness checklist and a summary of identified actions arising from that review for consideration.

2. Recommendations

Audit Committee is recommended to:

- 2.1. Consider the attached assessment (Appendix 2) against the ‘Good Practice Checklist’ and review the actions arising, amending if appropriate, and review the areas for consideration set out in relation to this.
- 2.2. Note that the full CIPFA self-assessment guidance is attached at Appendix 3 and 4 for information.

3. Background

- 3.1 The CIPFA Position Statement (Appendix 1) on Audit Committees sets out the key principles that CIPFA recommends for Audit Committees operating in local government. To accompany the Position Statement, CIPFA has published additional guidance - set out in the “Audit Committee: Practical Guidance for Local Authorities and Police” guidance document (2018 edition) - to support the establishment, operation and effectiveness of Audit Committees. This covers:

- the core functions of the Committee, including details of the relevant legislation and professional standards that Committee members should be aware of.
- a Knowledge and Skills Framework to support the appointment, training and development of Audit Committee members and,
- resources to enable self-evaluation and improvement planning.

- 3.2 CIPFA recommends that an assessment exercise is undertaken regularly by the Audit Committee to ensure that its effectiveness is reviewed. The previous assessment was undertaken in 2019 and reported to Audit Committee at its meeting on 23 September 2019, and this has now been reviewed and is being reported to Committee again to highlight the actions arising in that review for its consideration.

- 3.3 The CIPFA guidance incorporates 3 evaluation means comprising:

- A Good Practice checklist - Using the recommended practice in this publication should help the authority to achieve a good standard of performance. This

evaluation is intended to support an assessment against recommended practice to inform and support the Audit Committee. 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.

This is supported by:

- A Knowledge Self-Assessment form to evaluate overall skills and knowledge of the Committee and assess training needs and,
- An assessment tool to help Audit Committee Members' consider where the Committee is most effective and where there may be scope to do more. To be considered effective, the Audit Committee should be able to identify evidence of its impact or influence linked to specific improvements.

4. Effectiveness of Audit Committee Assessment

- 4.1 Officers reviewed and updated, where relevant, the CIPFA Good Practice Checklist to aid as a discussion document for Audit Committee's consideration and this is attached at Appendix 2. The overall assessment continues to be positive, with the majority (22 of 25) of questions considered to be fully compliant, with 3 assessed as partly compliant.
- 4.2 Members are therefore asked to review those partially compliant areas and consider the actions arising for each as follows:

16. Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory?

Whilst the knowledge self-assessment form was completed by a number of Audit Committee members during 2018/19, members are asked to consider whether all members should now complete an updated self-assessment. This could then be used to identify any knowledge gap and support the delivery of relevant training to address this.

19. Has the committee obtained feedback on its performance from those interacting with the committee or relying on its work?

An Annual report from Audit Committee is prepared and presented to Council which provides an opportunity for Council members to provide feedback or query the work of the Committee.

Additionally Internal and external audit observe operation of Audit Committee throughout the year which allows an active feedback method if required.

Audit Committee may wish to consider if any further formal mechanisms are required to allow feedback on performance in addition to the above.

23. Has the committee evaluated whether and how it is adding value to the organisation?

An Annual report is produced which summarises the core functions / work undertaken by the panel throughout the year. This allows the Committee to undertake some reflection on value that it has added, however Audit Committee may wish to consider if any further formal mechanisms are required to allow for greater evaluation of areas where it is adding value.

- 4.3 The full CIPFA self-assessment guidance is also attached at Appendix 3 and 4 of this report for information. Committee are asked to consider whether or not it may be appropriate to undertake the full self-assessment, and if so how that may best be progressed.

5. Resource and legal considerations

- 5.1 The Council is not obliged by law to appoint an Audit Committee, however this is done in line with good governance practice and guidance from the Chartered Institute of Public Finance & Accountancy (Audit Committees: Practical Guidance for Local Authorities and Police).

6. Citizen impact

- 6.1 The undertaking of a regular review of the effectiveness of Audit Committee strengthens assurance reporting and governance.

7. Performance and risk management issues

- 7.1 Highlighting areas of effectiveness which require further consideration and actions helps ensure that Audit Committee continues to be effective in the role it carries out.

8. Equality implications

- 8.1 None directly relating to this report.

9. Consultation

- 9.1 The self-assessment checklist includes consideration of opportunities for consultation and feedback to Audit Committee from those that it interacts with, and the actions for consideration included within this report ask committee members to consider whether any further formal mechanisms are required to allow feedback on performance.

10. Background papers

- 10.1 Review of the Effectiveness of Audit Committee – 23 September 2019.

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Appendix 1

Extract of CIPFA's Position Statement: Audit Committees in Local Authorities

1. Audit committees are a key component of an authority's governance framework. Their function is to provide an independent and high-level resource to support good governance and strong public financial management.
2. The purpose of an audit committee is to provide to those charged with governance independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and governance processes. By overseeing both internal and external audit it makes an important contribution to ensuring that effective assurance arrangements are in place.
3. Authorities should adopt a model that establishes the committee as independent and effective. The committee should:
 - act as the principal non-executive, advisory function supporting those charged with governance.
 - in local authorities, be independent of both the executive and the scrutiny functions and include an independent member where not already required to do so by legislation.
 - have clear rights of access to other committees/functions, for example, scrutiny and service committees, corporate risk management boards and other strategic groups.
 - be directly accountable to the authority's governing body.
4. The core functions of an audit committee are to:
 - be satisfied that the authority's assurance statements, including the annual governance statement, properly reflect the risk environment and any actions required to improve it, and demonstrate how governance supports the achievement of the authority's objectives.
 - in relation to the authority's internal audit functions:
 - oversee its independence, objectivity, performance and professionalism
 - support the effectiveness of the internal audit process
 - promote the effective use of internal audit within the assurance framework
 - consider the effectiveness of the authority's risk management arrangements and the control environment, reviewing the risk profile of the organisation and assurances that action is being taken on risk-related issues, including partnerships and collaborations with other organisations.

- monitor the effectiveness of the control environment, including arrangements for ensuring value for money, supporting standards and ethics and for managing the authority's exposure to the risks of fraud and corruption.
- consider the reports and recommendations of external audit and inspection agencies and their implications for governance, risk management or control.
- support effective relationships between external audit and internal audit, inspection agencies and other relevant bodies, and encourage the active promotion of the value of the audit process.
- review the financial statements, external auditor's opinion and reports to members, and monitor management action in response to the issues raised by external audit.

5. An audit committee can also support its authority by undertaking a wider role in other areas including:

- considering governance, risk or control matters at the request of other committees or statutory officers.
- working with local standards and ethics committees to support ethical values.
- reviewing and monitoring treasury management arrangements in accordance with Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes (CIPFA, 2017).
- providing oversight of other public reports, such as the annual report.

6. Good audit committees are characterised by:

- a membership that is balanced, objective, independent of mind, knowledgeable and properly trained to fulfil their role. The political balance of a formal committee of a council will reflect the political balance of the council, however, it is important to achieve the right mix of apolitical expertise.
- a membership that is supportive of good governance principles and their practical application towards the achievement of organisational objectives.
- a strong independently minded chair – displaying a depth of knowledge, skills and interest. There are many personal qualities needed to be an effective chair, but key to these are:
 - promoting apolitical open discussion
 - managing meetings to cover all business and encouraging a candid approach from all participants
 - an interest in and knowledge of financial and risk management, audit, accounting concepts and standards, and the regulatory regime

- unbiased attitudes – treating auditors, the executive and management fairly.
- the ability to challenge the executive and senior managers when required.

7. To discharge its responsibilities effectively the committee should:

- meet regularly – at least four times a year, and have a clear policy on those items to be considered in private and those to be considered in public.
- be able to meet privately and separately with the external auditor and with the head of internal audit.
- include, as regular attendees, the CFO(s), the chief executive, the head of internal audit and the appointed external auditor. Other attendees may include the monitoring officer (for standards issues) and the head of resources (where such a post exists). These officers should also be able to access the committee, or the chair, as required.
- report regularly on its work to those charged with governance, and at least annually report an assessment of their performance. An annual public report should demonstrate how the committee has discharged its responsibilities.

Additional guidance to support those acting as audit committee members in local authorities can be found in CIPFA's publication *Audit Committees: Practical Guidance for Local Authorities and Police* (2018), available from www.cipfa.org.uk/publications.

Audit Committee - Self-Assessment Checklist – November 2020

Good Practice Questions	Yes	Partly	No	Comments	Actions Arising
Audit Committee purpose and governance					
1. Does the authority have a dedicated audit committee?	√				n/a
2. Does the audit committee report directly to full council?	√				n/a
3. Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's Position Statement?	√			Purpose: "The purpose of an audit committee is to provide to those charged with governance independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and governance processes. By overseeing internal and external audit it makes an important contribution to ensuring that effective assurance arrangements are in place".	n/a
4. Is the role and purpose of the audit committee understood and accepted across the authority?	√			Senior managers and members aware of role of Committee. Role enshrined in Constitution. Managers aware of internal audit reporting arrangements.	n/a
5. Does the audit committee provide support to the authority in meeting the requirements of good governance?	√			Audit Committee role and remit sets out governance responsibilities, including consideration and approval of the Annual Governance Statement.	n/a
6. Are the arrangements to hold the committee to account for its performance operating satisfactorily?	√			Annual report presented to Council.	n/a

Good Practice Questions	Yes	Partly	No	Comments	Actions Arising
Functions of the Committee					
<p>7. Do the committee's terms of reference explicitly address all the core areas identified in CIPFA's Position Statement?</p> <ul style="list-style-type: none"> • good governance • assurance framework • internal audit • external audit • financial reporting • risk management • value for money or best value • counter fraud and corruption • supporting the ethical framework 	<p>√</p> <p>√</p> <p>√</p> <p>√</p> <p>√</p> <p>√</p> <p>√</p> <p>√</p> <p>n/a</p>			<p>The current terms of reference (TOR) are based on the CIPFA statement and covers all core areas. The terms of reference were reviewed against the 2018 CIPFA statement and covers all core areas.</p> <p>In respect of 'supporting the ethical framework', the TOR includes oversight of the effectiveness of whistleblowing arrangements, which is part of the counter fraud arrangements. The committee also considers any changes to the Local Code of Governance.</p> <p>Codes of Conduct are referred to Personnel (Officer) and Standards (Member) Committees and therefore form part of their remit.</p>	n/a
<p>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?</p>	√			<p>Remit is reviewed as part of the review of the Constitution and as legislation changes (Accounts and Audit Regulations) and as part of the annual setting of the work programme.</p>	n/a
<p>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?</p>	√			<p>Reviewed during 2018 as part of initial assessment against the new CIPFA guidance.</p>	n/a

Good Practice Questions	Yes	Partly	No	Comments	Actions Arising
10. Where coverage of core areas has been found to be limited, are plans in place to address this?	√			N/A, as Core areas covered in remit.	n/a
11. Has the committee maintained its non-advisory role by not taking on any decision-making powers that are not in line with its core purpose?	√				n/a
Membership and support					
12. Has an effective audit committee structure and composition of the committee been selected? This should include: <ul style="list-style-type: none"> • separation from the executive • an appropriate mix of knowledge and skills among the membership • a size of committee that is not unwieldy • consideration has been given to the inclusion of at least one independent members. 	√				n/a
13. Have independent members appointed to the committee been recruited in an open and transparent way and approved by the full Council?	√				n/a
14. Does the chair of the committee have appropriate knowledge and skills?	√			Evidenced during recruitment process.	n/a

Good Practice Questions	Yes	Partly	No	Comments	Actions Arising
15. Are arrangements in place to support the committee with briefings and training?	√			Training programme established. CIPFA Better Governance Forum briefings and circulars made available to members as published.	Opportunities for tailored training available as required.
16. Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory?		√		Knowledge self-assessment completed by a number of audit committee members during 2018/19.	Consideration of further assessment by members.
17. Does the committee have good working relations with key people and organisations, including external audit, internal audit and the chief financial officer?	√			Longstanding relations in place with internal audit and deputy chief finance officer. External audit attend on regular basis and there are opportunities and mechanisms for the committee to raise issues with external audit.	n/a
18. Is adequate secretariat and administrative support to the committee provided?	√				n/a
Effectiveness of the Committee					
19. Has the committee obtained feedback on its performance from those interacting with the committee or relying on its work?		√		Annual report presented to Council and opportunities for council members to provide feedback or query work of the Committee. Internal and external audit observe operation of Audit Committee.	Audit Committee may wish to consider if it wishes to establish a formal mechanism for this.
20. Are meetings effective with a good level of discussion and engagement from all members?	√			Internal and external audit observe operation of Audit Committee.	n/a
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?	√			Main assurance obtained for internal and external audit officers and CFO/Head of Finance. Where Audit Committee feel appropriate to do so, managers are invited to the Committee to discuss audit findings and risk.	Audit Committee may wish to consider if it wishes to engage further with managers.

Good Practice Questions	Yes	Partly	No	Comments	Actions Arising
22. Does the committee make recommendations for the improvement of governance, risk and control and are these acted on?	√			Example of Risk management framework, Annual Governance Statement, Internal audit reports.	n/a
23. Has the committee evaluated whether and how it is adding value to the organisation		√		Annual report produced, review of core functions undertaken.	Audit Committee may wish to consider if it wishes to establish a formal mechanism for this.
24. Does the committee have an action plan to improve any areas of weakness?	√			Training Programme.	Actions from this checklist will support improvement.
25. Does the committee publish an annual report to account for its performance and explain its work?	√			<p>The guidance contains areas of suggested coverage of an annual report that sets out how the Committee has fulfilled its responsibilities. The aspects that should be specifically considered include:</p> <ul style="list-style-type: none"> • whether the committee has fulfilled its agreed terms of reference • whether the committee has adopted recommended practice • whether the development needs of committee members have been assessed and whether committee members are accessing briefing and training opportunities • whether the committee has assessed its own effectiveness or been the subject of a review and the conclusions and actions from that review • what impact the committee has on the improvement of governance, risk and control within the authority. 	Next annual report to be considered against the CIPFA guidance for annual reporting.

Audit Committee Knowledge Self-Assessment

Knowledge Area	Details of core knowledge required	How the audit committee member is able to apply the knowledge	Do you meet these requirements?		Further training needs identified/comments
			✓	X	
Organisational knowledge	<ul style="list-style-type: none"> • An overview of the governance structures of the authority and decision-making processes. • Knowledge of the organisational objectives and major functions of the authority. 	<ul style="list-style-type: none"> • This knowledge will be core to most activities of the audit committee including review of the Annual Governance Statement, internal and external audit reports and risk registers. 			
Audit committee role and functions	<ul style="list-style-type: none"> • An understanding of the audit committee's role and place within the governance structures. Familiarity with the committee's terms of reference and accountability arrangements. • Knowledge of the purpose and role of the audit committee. 	<ul style="list-style-type: none"> • This knowledge will enable the audit committee to prioritise its work in order to ensure it discharges its responsibilities under its terms of reference and to avoid overlapping the work of others. 			
Governance	<ul style="list-style-type: none"> • Knowledge of the seven principles of the CIPFA/SOLACE Good Governance Framework and the requirements of 	<ul style="list-style-type: none"> • The committee will review the local code of governance and consider how governance 			

Knowledge Area	Details of core knowledge required	How the audit committee member is able to apply the knowledge	Do you meet these requirements?		Further training needs identified/comments
			✓	X	
	<p>the Annual Governance Statement (AGS).</p> <ul style="list-style-type: none"> • Knowledge of the local code of governance. 	<p>arrangements align to the principles in the framework.</p> <ul style="list-style-type: none"> • The committee will plan the assurances it is to receive in order to adequately support the AGS. • The committee will review the AGS and consider how the authority is meeting the principles of good governance. 			
Internal audit	<ul style="list-style-type: none"> • An awareness of the key principles of the <i>Public Sector Internal Audit Standards</i> and the <i>Local Government Application Note</i>. • Knowledge of the arrangements for delivery of the internal audit service in the authority and how the role of the head of internal audit is fulfilled. 	<ul style="list-style-type: none"> • The audit committee has oversight of the internal audit function and will monitor its adherence to professional internal audit standards. • The audit committee will review the assurances from internal audit work and will review the risk-based audit plan. The committee will also receive the annual report, 			

Knowledge Area	Details of core knowledge required	How the audit committee member is able to apply the knowledge	Do you meet these requirements?		Further training needs identified/comments
			✓	X	
		<p>including an opinion and information on conformance with professional standards.</p> <ul style="list-style-type: none"> • In relying on the work of internal audit, the committee will need to be confident that professional standards are being followed. • The audit committee is likely to be interviewed as part of the quality assessments and the committee will receive the outcome of the assessment and action plan. 			
Financial management and accounting	<ul style="list-style-type: none"> • Awareness of the financial statements that a local authority must produce and the principles it must follow to produce them. • Understanding of good financial management principles. 	<ul style="list-style-type: none"> • Reviewing the financial statements prior to publication, asking questions. • Receiving the external audit report and opinion on the financial audit. 			

Knowledge Area	Details of core knowledge required	How the audit committee member is able to apply the knowledge	Do you meet these requirements?		Further training needs identified/comments
			✓	X	
	<ul style="list-style-type: none"> • Knowledge of how the organisation meets the requirements of the role of the chief financial officer, as required by <i>The Role of the Chief Financial Officer in Local Government (CIPFA, 2016)</i>. 	<ul style="list-style-type: none"> • Reviewing both external and internal audit recommendations relating to financial management and controls. • The audit committee should consider the role of the CFO and how this is met when reviewing the AGS. 			
External audit	<ul style="list-style-type: none"> • Knowledge of the role and functions of the external auditor and who currently undertakes this role. • Knowledge of the key reports and assurances that external audit will provide. • Knowledge about arrangements for the appointment of auditors and quality monitoring undertaken. 	<ul style="list-style-type: none"> • The audit committee should meet with the external auditor regularly and receive their reports and opinions. • Monitoring external audit recommendations and maximising benefit from audit process. • The audit committee should monitor the relationship between the external auditor and the authority and support the 			

Knowledge Area	Details of core knowledge required	How the audit committee member is able to apply the knowledge	Do you meet these requirements?		Further training needs identified/comments
			✓	X	
		delivery of an effective service.			
Risk management	<ul style="list-style-type: none"> • Understanding of the principles of risk management, including linkage to good governance and decision making. • Knowledge of the risk management policy and strategy of the organisation. • Understanding of risk governance arrangements, including the role of members and of the audit committee. 	<ul style="list-style-type: none"> • In reviewing the AGS, the committee will consider the robustness of the authority's risk management arrangements and should also have awareness of the major risks the authority faces. • Keeping up to date with the risk profile is necessary to support the review of a number of audit committee agenda items, including the risk-based internal audit plan, external audit plans, and the explanatory foreword of the accounts. Typically, risk registers will be used to inform the committee. • The committee should also review reports and action plans to develop the 			

Knowledge Area	Details of core knowledge required	How the audit committee member is able to apply the knowledge	Do you meet these requirements?		Further training needs identified/comments
			✓	X	
		application of risk management practice.			
Counter-fraud	<ul style="list-style-type: none"> • An understanding of the main areas of fraud risk the organisation is exposed to. • Knowledge of the principles of good fraud risk management practice in accordance with the <i>Code of Practice on managing the Risk of Fraud and Corruption</i> (CIPFA 2014). • Knowledge of the organisation's arrangements for tackling fraud. 	<ul style="list-style-type: none"> • Knowledge of fraud risks and good fraud risk management practice will be helpful when the committee reviews the organisation's fraud strategy and receives reports on the effectiveness of that strategy. • An assessment of arrangements should support the AGS and knowledge of good fraud risk management practice will support the audit committee member in reviewing that assessment. 			
Values of good governance	<ul style="list-style-type: none"> • Knowledge of the Seven Principles of Public Life. • Knowledge of the authority's key arrangements to uphold 	<ul style="list-style-type: none"> • The audit committee member will draw on this knowledge when reviewing governance issues and the AGS. 			

Knowledge Area	Details of core knowledge required	How the audit committee member is able to apply the knowledge	Do you meet these requirements?		Further training needs identified/comments
			✓	X	
	<p>ethical standards for both members and staff.</p> <ul style="list-style-type: none"> • Knowledge of the whistleblowing arrangements in the authority. 	<ul style="list-style-type: none"> • Oversight of the effectiveness of whistleblowing will be considered as part of the AGS. The audit committee member should know to whom concerns should be reported. 			

Evaluating the Effectiveness of the Audit Committee

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
Promoting the principles of good governance and their application to decision making.	<ul style="list-style-type: none"> • Supporting the development of a local code of governance. • Providing robust review of the Annual Governance Statement (AGS) and the assurances underpinning it. • Working with key members to improve their understanding of the AGS and their contribution to it. • Supporting reviews/ audits of governance arrangements. • Participating in self-assessments of governance arrangements. • Working with partner audit committees to review governance arrangements in partnerships. 		
Contributing to the development of an effective control environment.	<ul style="list-style-type: none"> • Actively monitoring the implementation of recommendations from auditors. • Encouraging ownership of the internal control framework by appropriate managers. • Raising significant concerns over controls with appropriate senior managers. 		

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
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. • Monitoring improvements. • Holding risk owners to account for major/strategic risks. 		
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. • Seeking to streamline assurance gathering and reporting. • Reviewing the effectiveness of assurance providers, e.g. internal audit, risk management, external audit 		
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. • Assessing the effectiveness of internal audit arrangements, providing constructive challenge and supporting improvements. • Actively supporting the quality assurance and improvement programme of internal audit. 		

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
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. • Reviewing major projects and programmes to ensure that governance and assurance arrangements are in place. • Reviewing the effectiveness of performance management arrangements. 		
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. • Considering how performance in value for money is evaluated as part of the AGS. 		
Helping the Authority to implement the values of good governance, including effective arrangements for countering fraud bribery 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). • Reviewing fraud risks and the effectiveness of the organisation's strategy to address those risks. • Assessing the effectiveness of ethical governance arrangements for both staff and governors. 		
Promoting effective public reporting to the Authority's stakeholders and local	<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. 		

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
community and measures to improve transparency and accountability.	<ul style="list-style-type: none"> • Reviewing whether decision making through partnership organisations remains transparent and publicly accessible and encouraging greater transparency. • Publishing an annual report from the 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.