

Appendix B

CIPFA's Position Statement: Audit Committees in Local Authorities and Police 2022

How do your arrangements meet the statement?

Topic & Question	YES/NO	Comments
Independent & Effective Model		
Is the committee		
Directly accountable to the authority's governing body?	Yes	The Committee submits an annual report to Council where there is an opportunity for Members to ask the Chair questions.
Independent of both the executive and the scrutiny functions?	Yes	
Does the committee		
Have rights of access /constructive engagement with other committees/functions, for example scrutiny and service committees, corporate risk management boards and other strategic groups?	Yes	Ex-Officio's are invited and encouraged to attend meetings which the Committee finds beneficial. To help with regular attendance, Ex-Officio's are to be provided with the Committees work programme and dates of reports to be considered in their area at the beginning of the municipal year.
Have rights to request reports and seek assurances from relevant officers?	Yes	
An appropriate size to operate as a cadre of experienced, trained committee members. (Large committees should be avoided).?	Yes	The size of the Committee is in line with recommendations from CIPFA, as well as recommendations from reports submitted to the Annual Meeting of Council. There was a vacancy on the Committee throughout the year.
Include co-opted independent member (s) (CIPFA recommends that each authority audit committee should include at least two co-opted independent members to provide appropriate technical expertise).	Yes	There is currently one Co-opted Independent Member. A recruitment process is underway to appoint two independent members.

Core functions		
Maintenance of governance, risk and control arrangements		
Does the committee		
Support a comprehensive understanding of governance across the organisation and among all those charged with governance?	Yes	The Committee reviews governance matters as requested by Council, and as identified by the external and internal auditors. Training is offered to Members of the Committee on Governance. The Committee would like further training to be provided in the new municipal year.
Consider the effectiveness of the authority's risk management arrangements, understand the risk profile of the organisation and seek assurances that active arrangements are in place?	Yes	The Committee will continue to follow the process of selecting services to provide assurances to the Committee.
Does the committee monitor the effectiveness of the arrangements for		
internal control,	Yes	The Committee had raised concerns regarding resourcing in internal control.
financial management	Yes	The Committee requested a report on financial culture across the organisation to be assured on financial management. Internal Audit include in their plans a review of budgetary management.
ensuring value for money	Yes	The committee would like to see a reflection in the Internal Audit report on value for money.
standards and ethics	Yes	
risks of fraud and corruption	Yes	
Financial and governance reporting		
Does the Audit Committee;		
Ensure the authority's accounting supports the maintenance of effective arrangements for financial reporting?	Yes	The Committee requested a report on financial culture across the organisation to be assured on financial management. Internal Audit include in their plans a review of budgetary management.
Review the statutory statements of account and any reports that accompany them.	Yes	
Does the Audit Committee ensure the authority's accountability statements, including the annual governance statement		
Properly reflect the risk environment, and any actions required to improve it?	Yes	

Demonstrate how governance supports the achievement of the authority's objectives?	Yes	
Establishing appropriate and effective arrangements for audit and assurance		
Does the committee		
Consider the arrangements in place to secure adequate assurance across the body's full range of operations and collaborations with other entities.	Partial	The committee would like more oversight of the operations on WYCA and other similar bodies.
In relation to the authority's internal audit functions:		
Oversee its independence, objectivity, performance and conformance to professional standards	Yes	
Support effective arrangements for internal audit	Yes	
Promote the effective use of internal audit within the assurance framework	Yes	
Consider the opinion, reports and recommendations of external audit and inspection agencies and their implications for governance, risk management or control, and monitor management action in response to the issues raised by external audit.	Yes	The Committee is improving at monitoring management actions by requesting service attendance at meetings.
Contribute to the operation of efficient and effective external audit arrangements, supporting the independence of auditors and promoting audit quality.	Yes	
Support effective relationships between all providers of assurance, audits and inspections, and the organisation, encouraging openness to challenge, review and accountability.	Yes	
Audit committee membership		
Is high calibre, and aptitude considered alongside relevant knowledge, skills and experience		
When selecting elected representatives to be on the committee?	Unknown	The Committee does have long standing members.
When co-opting independent members?	Yes	
Does the appointment of co-opted independent members on the committee consider the overall knowledge and expertise of the existing members?	Yes	
Are members of the audit committee		

Adequately trained to fulfil their role?	No	Further training will be provided to Members of the Committee in various areas in the new municipal year. The Committee would like training to be more engaging.
Objective, have an inquiring and independent approach?	Yes	
Sufficiently knowledgeable?	Yes	The level of knowledge and experience varies across the Committee.
Knowledgeable of good governance principles that can help achieve the organisation's objectives?	Yes	Independent Members can help
Willing to operate in an apolitical manner?	Yes	
Unbiased – treating auditors, the executive and management fairly?	Yes	
Willing and able to challenge the executive and senior managers when required?	Yes	
Interest in the work of the committee?	Yes	
Is the Audit Committee Chair		
Strong, independently minded	Yes	
Able to promote apolitical open discussion	Yes	
Skilled at managing meetings to cover all business	Yes	
Able to encourage a candid approach from all participants	Yes	
Able to maintain the focus of the committee on matters of greatest priority	Yes	
Engagement, Outputs & Impact		
Does the Audit Committee		
Meet regularly, at least four times a year?	Yes	
Have a clear policy on those items to be considered in private and those to be considered in public?	Yes	
Able to meet privately and separately with the external auditor and with the head of internal audit	Yes	
Have, as regular attendees, the chief finance officer, the chief executive, the head of internal audit and the appointed external auditor? other attendees may include the (monitoring officer and the head of resources)	Yes	
Have the right to call on any other officers or agencies of the authority as required?	Yes	

For transparency, report regularly on its work to those charged with governance?	Yes	The Committee submits an Annual Report to Council
Does the Committee report annually on		
Effectively engage with the leadership team and those charged with governance?	Yes	
Its performance?	Yes	
Its impact?	Yes	
Any Identified areas for improvement?	Yes	The Committee does this through the Annual Report. An action tracker has been developed and implemented to follow up outstanding actions identified at Committee meetings.
Compliance with the CIPFA position statement, and discharged its responsibilities?	Yes	
Issue its report to the public?	Yes	
Are the statutory officers able to access the committee members, or the chair, as required?	Yes	