



Nominations and Effectiveness Sub Committee of the Audit and Risk Management Committee

Date: MONDAY, 13 MARCH 2023

Time: 9.30 am

Venue: COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

Members: Alderman Alexander Barr (Chairman) Deputy Rehana Ameer
Karen Sanderson (External Member)
Alderman Prem Goyal (Deputy
Chairman)
Gail Le Coz (External Member)

Enquiries: Ben Dunleavy
ben.dunleavy@cityoflondon.gov.uk

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<https://www.youtube.com/@CityofLondonCorporation/streams>

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Ian Thomas
Town Clerk and Chief Executive

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES**

2. **MEMBERS DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

3. **MINUTES OF THE PREVIOUS MEETING**

To agree the public minutes of the previous meeting held on 24 February 2022.

For Decision
(Pages 5 - 6)

4. **TERMS OF REFERENCE OF THE NOMINATIONS AND EFFECTIVENESS SUB COMMITTEE**

To note the Sub Committee's Terms of Reference, agreed by the Audit and Risk Management Committee.

For Information
(Pages 7 - 8)

5. **RE-APPOINTMENT OF AN EXTERNAL MEMBER (2ND TERM)**

Report of the Town Clerk.

For Decision
(Pages 9 - 10)

6. **EFFECTIVENESS REVIEW**

Report of the Town Clerk.

For Decision
(Pages 11 - 30)

7. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**

8. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

9. **EXCLUSION OF THE PUBLIC**

MOTION – That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Local Government Act.

For Decision

Part 2 - Non-Public Agenda

10. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

11. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

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NOMINATIONS SUB COMMITTEE OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

Thursday, 24 February 2022

Minutes of the meeting of the Nominations Sub Committee of the Audit and Risk Management Committee held at the Guildhall EC2 at 2.00 pm

Present

Members:

Alexander Barr (Chairman)
Alderman Prem Goyal
Deputy Jamie Ingham Clark

Jeremy Mayhew
Gail Le Coz (External Member)
Dan Worsley (External Member)

Officers:

Ben Dunleavy
Caroline Al-Beyerty
Matthew Lock

- Town Clerk's Department
- Chamberlain
- Chamberlain's Department

1. APOLOGIES

There were no apologies.

2. MEMBER DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

The following declarations were made in respect of the applications to be considered under item 6 of the agenda:

- Dan Worsley worked with one candidate on the CIPFA management board, and another was a member of the CIPFA Council;
- Gail Le Coz had worked at the same firm as one candidate;
- The Chairman said it was possible he would interact with one candidate in a professional (i.e. non City of London Corporation) capacity in the future, though he had not done so at the time of the meeting.

3. MINUTES

The minutes of the meeting held on 20 May 2019 were approved as a correct record.

4. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE

There were no questions.

5. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There was no other business.

6. **CONSIDERATION OF APPLICATIONS FOR THE POSITION OF EXTERNAL MEMBER ON THE AUDIT AND RISK MANAGEMENT COMMITTEE**

Members agreed a shortlist of candidates to interview for the position of External Member on the Audit and Risk Management Committee.

7. **QUESTIONS RELATING TO THE WORK OF THE COMMITTEE**

Following a question on how to engage with potential candidates for External Member positions, Members felt there needed to be wider consideration on how City Corporation Committees operated with external members on boards and committees more generally.

8. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

The Chairman outlined the logistical arrangements for the interviews to Members.

The meeting closed at 14.36

Chairman

Contact Officer: Ben Dunleavy
ben.dunleavy@cityoflondon.gov.uk

APPENDIX 3

Terms of Reference and Composition of the Nominations and Effectiveness Sub Committee

Membership: 5 or 6 Members, including the Chairman and Deputy Chairman (Member) of the Grand Committee and *at least* one External Member, to give an independent perspective.

Meeting frequency: *to meet no less than two times a year*

1. To make recommendations to the Audit and Risk Management Committee on the appointment of all External Members to that Committee.
2. To consider the most appropriate way to recruit External Members to the Audit and Risk Management Committee, including the placing of advertisements or the use of personal contacts.
3. To consider proactively potential External Member talent outside of the recruitment cycle which naturally arises on the expiry of any current External Members' term, such that the City Corporation can engage at early stage with interested parties.
4. To promote the role of the Audit and Risk Management Committee to Members of the Court such that a wide pool of future Committee Member talent can be identified and encouraged to consider putting themselves forward as Members of the Committee.
5. To consider the aggregate skills and capability of the Audit and Risk Management Committee by reference to a periodically compiled skill matrix in order that Member training and development needs can be effectively established and actioned.

n.b. The Sub Committee will have advisory powers only and make recommendations *on nominations* to the grand *Committee*.

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Committee:	Date:
Nominations and Effectiveness Sub Committee of the Audit and Risk Management Committee	13 March 2023
Subject: Re-Appointment of an External Member (2nd Term)	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	8
Does this proposal require extra revenue and/or capital spending?	No
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	n/a
Report of: Town Clerk	For Decision
Report author: Ben Dunleavy	

Summary

In April 2023, the current term of an External Member on the Audit and Risk Management Committee, Dan Worsley, is due to expire. This is Mr. Worsley's first term as an External Member, and he is eligible to serve a further two terms (of three years each). Mr. Worsley has expressed a willingness to serve on the Audit and Risk Management Committee for a second term.

Recommendation

The Sub-Committee is asked to consider whether they would recommend to the Audit and Risk Management Committee, for onward recommendation to the Court of Common Council, that Dan Worsley be appointed as an External Member of the Audit and Risk Management Committee for a second term, expiring in April 2026.

Ben Dunleavy
Governance and Member Services Officer
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Committee:	Date:
Nominations and Effectiveness Sub Committee of the Audit and Risk Management Committee	13 March 2023
Subject: Review of Committee Effectiveness and Skills	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	8
Does this proposal require extra revenue and/or capital spending?	No
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	n/a
Report of: Town Clerk	For Decision
Report author: Ben Dunleavy	

Summary

The Nominations and Effectiveness Committee has, within its remit, authority to consider the skills of the Audit and Risk Management Committee. The last such review was conducted in 2018.

Considering the time that has passed since the last review, it would both timely and prudent to run a new exercise to assess the effectiveness of the Committee and the balance of skills and expertise. This report outlines the nature of the previous review and asks Members to instigate a formal review of skills and effectiveness.

Recommendation(s)

Members are asked to agree to run a new skills and effectiveness survey of the Audit and Risk Management Committee, and to consider what elements this should include.

Main Report

1. The Nominations and Effectiveness Sub Committee ('the Sub Committee') is responsible for undertaking skills audits and effectiveness reviews of the Audit and Risk Management Sub Committee ('the Committee'). Historically, this was to inform the appointment of External Members to the Committee. The Sub Committee's terms of reference were revised in January 2023 so that, alongside undertaking these reviews to inform the appointment of Members, the skills of the Committee could be considered in order to assess the need for relevant training and development for Members.
2. The last time such a review was undertaken was in 2018, with the skills of new Members added as and when they have joined the Committee over the following three years. A full review of the Committee has, however, not been undertaken since 2018.
3. The last Review asked Members to score themselves from 1 – 4 (1 being very strong, 4 being limited) on a series of knowledge areas, split into 'core' and 'specialist' areas of knowledge. The core areas of knowledge, taken from the CIPFA Guidance for Audit Committees, were:
 - Organisational knowledge
 - Audit committee role and functions
 - Governance
 - Internal Audit
 - Financial Management and Accounting
 - External Audit
 - Risk Management
 - Counter fraud
 - Values of good governance
 - Treasury management
4. The last skills audit form is attached as Appendix 1 of the report, and includes further information on the core areas of knowledge, as well as the list of specialist knowledge.
5. The CIPFA Guidance also provides a self-assessment form for good practice, and further advice on how to evaluate the impact and effectiveness of an Audit Committee. This guidance is included at Appendices 2 and 3.
6. Considering the length of time since the last review, it would be an appropriate time to hold a new review of Members skills, and potentially use the CIPFA Guidance in Appendices 2 and 3 to combine this with a review of the Committee's effectiveness.

Corporate & Strategic Implications

Strategic implications

Reviewing these areas will enable the Committee to consider how it can operate more effectively, thus supporting the Committee in achieving item 8 of the Corporate plan ('accessing the skills and talent we need').

Financial implications

There are no financial implications to the recommendation to consider the Committee's effectiveness.

Resource implications

There are no resource implications to the recommendation.

Legal implications

There are no legal implications to the recommendation of considering the Committee's skills and effectiveness.

Risk implications

There are no risk implications to the recommended consideration of a skills review.

Equalities implications

There are no equalities implications to the recommendation.

Climate implications

There are no climate implications to the recommendation.

Security implications

There are no security implications to the recommendation.

Appendices

Appendix 1 – Audit and Risk Management Committee Skills Audit 2018

Appendix 2 – CIPFA Guidance for Audit Committees – Self Assessment of Good Practice

Appendix 3 – Evaluating the impact and effectiveness of the Audit Committee

Ben Dunleavy

Governance & Member Services Officer

Town Clerk's Department

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AUDIT AND RISK MANAGEMENT COMMITTEE MEMBERS

SKILLS AUDIT 2018

CORE AREAS OF KNOWLEDGE

KNOWLEDGE AREA	DETAILS OF CORE KNOWLEDGE REQUIRED	SCORE (1-4) 1 – very strong 2 – strong 3 - basic 4 - limited	NOTES: How the audit committee member is able to apply the knowledge
Organisational knowledge	<ol style="list-style-type: none"> 1. An overview of the governance structures of the authority and decision-making processes. 2. Knowledge of the organisational objectives and major functions of the authority. 		This knowledge would be core to most activities of the Audit and Risk Management Committee (ARMC), including review of the Annual Governance Statement (AGS), internal and external audit reports and risk registers.
Audit committee role and functions	<ol style="list-style-type: none"> 1. An understanding of the Audit Committee's role and place within the governance structures. 2. Familiarity with the Committee's terms of reference and accountability arrangements. 		This knowledge will enable the ARMC 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	<ol style="list-style-type: none"> 1. Knowledge of the seven principles of the CIPFA/Solace Framework and the requirements of the Annual Governance Statement. 2. Knowledge of the local code of governance. 		The ARMC will review the local code of governance and consider how governance arrangements align to the principles in the framework. The ARMC will plan the assurances it is to receive in order to adequately support and review the AGS and consider how the authority is meeting the principles of good governance

Internal Audit	<ol style="list-style-type: none"> 1. An awareness of the key principles of the PSIAS and the LGAN. 2. Knowledge of the arrangements for delivery of the internal audit service and how the role of the Head of Internal audit is fulfilled. 		The ARMC has oversight of the internal audit function and will monitor its adherence to professional internal audit standards.
Financial Management and Accounting	<ol style="list-style-type: none"> 1. Awareness of the financial statements that a local authority must produce and the principles It must follow to produce them. 2. Understanding of good financial management principles and knowledge of how the organisation meets the requirements of the role of the Chief Financial Officer in Local Government and the CIPFA Statement on the Role of Chief Financial Officers. 		The ARMC reviews the financial statements prior to publication; the external audit report and opinion on the financial audit and both external and internal audit recs relating to financial management and controls. The ARMC should consider the role of the CFO and how this is met when reviewing the AGS.
External Audit	<ol style="list-style-type: none"> 1. Knowledge of the role and functions of the external auditor and who currently undertakes this role. 2. Knowledge of the key reports and assurances that external audit will provide. 3. Knowledge about arrangements for the appointment of auditors and quality monitoring undertaken. 		The ARMC should meet with the external auditor regularly and receive their reports and opinions. The audit committee should monitor the relationship between the external auditor and the authority and support the delivery of an effective service.
Risk Management	<ol style="list-style-type: none"> 1. Understanding of the principles of risk management, including linkage to good governance and decision making. 2. Knowledge of the risk management policy and strategy of the organisation. 3. Understanding of risk governance arrangements, including the role of members and of the ARMC. 		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. The committee should also review reports and action plans to develop the application of risk management practice.

Counter Fraud	<ol style="list-style-type: none"> 1. An understanding of the main areas of fraud and corruption risk to which the organisation is exposed. 2. Knowledge of the principles of good fraud risk management practice in accordance with the Code of Practice on Managing the Risk of Fraud and Corruption. 3. Knowledge of the organisation's arrangements for tackling fraud 		<p>Knowledge of fraud risks and good fraud risk management practice will be helpful when the ARMC reviews the organisation's fraud strategy and receives reports on the effectiveness of that strategy.</p> <p>An assessment of arrangements should support the AGS and knowledge of good fraud risk management practice will support the ARMC member in reviewing that assessment</p>
Values of good governance	<ol style="list-style-type: none"> 1. Knowledge of the Seven Principles of Public Life. 2. Knowledge of the authority's key arrangements to uphold ethical standards for both members and staff. 3. Knowledge of the whistleblowing arrangements in the authority. 		<p>Oversight of the effectiveness of whistleblowing will be considered as part of the AGS. The ARMC Member should know to whom concerns should be reported.</p>
Treasury Management	<p>The key knowledge areas identified are:</p> <ol style="list-style-type: none"> 1. regulatory requirements treasury risks 2. the organisation's treasury management strategy 3. the organisation's policies and procedures in relation to treasury management 		<p>Effective Scrutiny of Treasury Management is an assessment tool for reviewing the arrangements for undertaking scrutiny of treasury management.</p>

SPECIALIST AREAS OF KNOWLEDGE

PLEASE NOTE: there is no expectation of Members being able to tick more than a couple of these specialist knowledge areas.

KNOWLEDGE AREA	DETAILS OF SUPPLEMENTARY KNOWLEDGE - PROFESSIONAL QUALIFICATIONS, EXPERIENCE, ETC.	SCORE 1-4 1 – VERY STRONG 2 – STRONG 3 - BASIC 4 - LIMITED/NONE
Governance and Legal		
Programme and Project Management		
IT systems and IT governance		
Arts and Culture		
Child Protection		
Education &/or Training		

Equal Opportunities and Diversity		
Health and Safety		
Insurance		
Media/PR/Marketing		
Planning and Strategy		
Engineering		
Property and Buildings/Facilities Management		
Fundraising/Trusteeship		
Human Resources		

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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, 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 should be used to support the planning of the audit committee work programme and training plans. It will also inform the annual report.

Good practice questions	Does not comply	Partially complies and extent of improvement needed*			Fully complies
	Major improvement	Significant improvement	Moderate improvement	Minor improvement	No further improvement
Weighting of answers	0	1	2	3	5

Audit committee purpose and governance

- 1 Does the authority have a dedicated audit committee that is not combined with other functions (eg standards, ethics, scrutiny)?
- 2 Does the audit committee report directly to the governing body (PCC and chief constable/full council/full fire authority, etc)?
- 3 Has the committee maintained its advisory role by not taking on any decision-making powers?
- 4 Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's 2022 Position Statement?
- 5 Do all those charged with governance and in leadership roles have a good understanding of the role and purpose of the committee?
- 6 Does the audit committee escalate issues and concerns promptly to those in governance and leadership roles?
- 7 Does the governing body hold the audit committee to account for its performance at least annually?

* Where the committee does not fully comply with an element, three options are available to allow distinctions between aspects that require significant improvement and those only requiring minor changes.

Good practice questions		Does not comply	Partially complies and extent of improvement needed			Fully complies
		Major improvement	Significant improvement	Moderate improvement	Minor improvement	No further improvement
Weighting of answers		0	1	2	3	5
8	Does the committee publish an annual report in accordance with the 2022 guidance, including:					
	<ul style="list-style-type: none"> compliance with the CIPFA Position Statement 2022 					
	<ul style="list-style-type: none"> results of the annual evaluation, development work undertaken and planned improvements 					
	<ul style="list-style-type: none"> how it has fulfilled its terms of reference and the key issues escalated in the year? 					
Functions of the committee						
9	Do the committee's terms of reference explicitly address all the core areas identified in CIPFA's Position Statement as follows?					
	Governance arrangements					
	Risk management arrangements					
	Internal control arrangements, including:					
	<ul style="list-style-type: none"> financial management value for money ethics and standards counter fraud and corruption 					
	Annual governance statement					
	Financial reporting					
	Assurance framework					
	Internal audit					
	External audit					
10	Over the last year, has adequate consideration been given to all core areas?					
11	Over the last year, has the committee only considered agenda items that align with its core functions or selected wider functions, as set out in the 2022 guidance?					
12	Has the committee met privately with the external auditors and head of internal audit in the last year?					

Good practice questions	Does not comply					Fully complies
	Major improvement	Significant improvement	Moderate improvement	Minor improvement	No further improvement	
Weighting of answers	0	1	2	3	5	

Membership and support

13 Has the committee been established in accordance with the 2022 guidance as follows?						
<ul style="list-style-type: none"> • Separation from executive 						
<ul style="list-style-type: none"> • A size that is not unwieldy and avoids use of substitutes 						
<ul style="list-style-type: none"> • Inclusion of lay/co-opted independent members in accordance with legislation or CIPFA's recommendation 						
14 Have all committee members been appointed or selected to ensure a committee membership that is knowledgeable and skilled?						
15 Has an evaluation of knowledge, skills and the training needs of the chair and committee members been carried out within the last two years?						
16 Have regular training and support arrangements been put in place covering the areas set out in the 2022 guidance?						
17 Across the committee membership, is there a satisfactory level of knowledge, as set out in the 2022 guidance?						
18 Is adequate secretariat and administrative support provided to the committee?						
19 Does the committee have good working relations with key people and organisations, including external audit, internal audit and the CFO?						

Effectiveness of the committee

20 Has the committee obtained positive feedback on its performance from those interacting with the committee or relying on its work?						
21 Are meetings well chaired, ensuring key agenda items are addressed with a focus on improvement?						
22 Are meetings effective with a good level of discussion and engagement from all the members?						
23 Has the committee maintained a non-political approach to discussions throughout?						

Good practice questions	Does not comply	Partially complies and extent of improvement needed			Fully complies
	Major improvement	Significant improvement	Moderate improvement	Minor improvement	No further improvement
Weighting of answers	0	1	2	3	5
24 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?					
25 Does the committee make recommendations for the improvement of governance, risk and control arrangements?					
26 Do audit committee recommendations have traction with those in leadership roles?					
27 Has the committee evaluated whether and how it is adding value to the organisation?					
28 Does the committee have an action plan to improve any areas of weakness?					
29 Has this assessment been undertaken collaboratively with the audit committee members?					
Subtotal score					
Total score					
Maximum possible score					200**

Evaluating the impact and effectiveness of the audit committee

An audit committee's effectiveness should be judged by the contribution it makes to and the beneficial impact it has on the authority's business. Since it is primarily an advisory body, it can be more difficult to identify how the audit committee has made a difference. Evidence of effectiveness will usually be characterised as 'influence', 'persuasion' and 'support'.

The improvement tool below can be used to support a review of effectiveness. It identifies the broad areas where an effective audit committee will have impact.

Figure 1: The influential audit committee



The table includes examples of what the audit committee might do to have impact in each of these areas.

The third area includes key indicators that might be expected to be in place if arrangements are in fact effective. These indicators are not directly within the control of the audit committee, as it is an advisory body. They do provide an indication that the authority has put in place adequate and effective arrangements, which is the purpose of the committee.

Use the tool for discussion and evaluation of the strengths and weakness of the committee, identifying areas for improvement.

Areas where the audit committee can have impact by supporting improvement	Examples of how the audit committee can demonstrate its impact	Key indicators of effective arrangements	Your evaluation: strengths, weaknesses and proposed actions
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 a robust review of the AGS and the assurances underpinning 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. 	<ul style="list-style-type: none"> Elected members, the leadership team and senior managers all share a good understanding of governance, including the key principles and local arrangements. Local arrangements for governance have been clearly set out in an up-to-date local code. The authority's scrutiny arrangements are forward looking and constructive. Appropriate governance arrangements established for all collaborations and arm's-length arrangements. The head of internal audit's annual opinion on governance is satisfactory (or similar wording). 	

Contributing to the development of an effective control environment.	<ul style="list-style-type: none"> • Encouraging ownership of the internal control framework by appropriate managers. • Actively monitoring the implementation of recommendations from auditors. • Raising significant concerns over controls with appropriate senior managers. 	<ul style="list-style-type: none"> • The head of internal audit's annual opinion over internal control is that arrangements are satisfactory. • Assessments against control frameworks such as CIPFA's FM Code have been completed and a high level of compliance identified. • Control frameworks are in place and operating effectively for key control areas – for example, information security or procurement.
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, eg risk management maturity or benchmarking. • Monitoring improvements to risk management. • Reviewing accountability of risk owners for major/strategic risks. 	<ul style="list-style-type: none"> • A robust process for managing risk is evidenced by independent assurance from internal audit or external review.
Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively.	<ul style="list-style-type: none"> • Reviewing the adequacy of the leadership team's assurance framework. • Specifying the committee's assurance needs, identifying gaps or overlaps in assurance. • Seeking to streamline assurance gathering and reporting. • Reviewing the effectiveness of assurance providers, eg internal audit, risk management, external audit. 	<ul style="list-style-type: none"> • The authority's leadership team have defined an appropriate framework of assurance, including core arrangements, major service areas and collaborations and external bodies.
Supporting effective external audit, with a focus on high quality and timely audit work.	<ul style="list-style-type: none"> • Reviewing and supporting external audit arrangements with focus on independence and quality. • Providing good engagement on external audit plans and reports. • Supporting the implementation of audit recommendations. 	<ul style="list-style-type: none"> • The quality of liaison between external audit and the authority is satisfactory. • The auditors deliver in accordance with their audit plan, and any amendments are well explained. • An audit of high quality is delivered.

Supporting the quality of the internal audit activity, in particular 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. 	<ul style="list-style-type: none"> • Internal audit that is in conformance with PSIAS and LGAN (as evidenced by the most recent external assessment and an annual self-assessment). • The head of internal audit and the organisation operate in accordance with the principles of the CIPFA Statement on the Role of the Head of Internal Audit (2019).
Aiding the achievement of the authority's goals and objectives by 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. 	<ul style="list-style-type: none"> • Inspection reports indicate that arrangements are appropriate to support the achievement of service objectives. • The authority's arrangements to review and assess performance are satisfactory.
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. • Following up issues raised by external audit in their value-for-money work. 	<ul style="list-style-type: none"> • External audit's assessments of arrangements to support best value are satisfactory.
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 <i>Code of Practice on Managing the Risk of Fraud and Corruption</i> (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. 	<ul style="list-style-type: none"> • Good ethical standards are maintained by both elected representatives and officers. This is evidenced by robust assurance over culture, ethics and counter fraud arrangements.

Promoting effective public reporting to the authority's stakeholders and local community and measures to improve transparency and accountability.

- Working with key members/the PCC and chief constable to improve their understanding of the AGS and their contribution to it.
- Improving how the authority discharges its responsibilities for public reporting – for example, better targeting the audience and use of plain English.
- Reviewing whether decision making through partnership organisations remains transparent and publicly accessible and encourages greater transparency.
- Publishing an annual report from the committee.
- The authority meets the statutory deadlines for financial reporting with accounts for audit of an appropriate quality.
- The external auditor completed the audit of the financial statements with minimal adjustments and an unqualified opinion.
- The authority has published its financial statements and AGS in accordance with statutory guidelines.
- The AGS is underpinned by a robust evaluation and is an accurate assessment of the adequacy of governance arrangements.

OVERALL QUESTIONS TO CONSIDER

- 1 Does the committee proactively seek assurance over the key indicators?
- 2 How proactive is the committee in responding to aspects of governance, risk, control and audit that need change or improvement?
- 3 Are recommendations from the committee taken seriously by those responsible for taking action?

REPORTING RESULTS

The outcome of the review can be used to inform the committee's annual report.