Evaluating the effectiveness of the Audit and Standards Committee.

Areas where the committee can add value by supporting improvement	Examples of how the committee can add value and provide evidence of effectiveness	Self-evaluation, examples, areas of strength and weakness	Score
Promoting the principles of good governance and their application to decision making.	Robust review of the AGS and the assurances underpinning it. Working with key members / governors to improve their understanding of the AGS and their contribution to it. Supporting review / audits of governance arrangements. Participating in self-assessments of governance arrangements. Working with partner audit committees to review governance arrangements in partnerships.	• Committee undertakes robust scrutiny of the AGS and comments feed into Cabinet's consideration of the statement. • Committee considers governance issues raised in individual audit reports and where appropriate managers attend the Committee to discuss issues arising. • Committee considers potential changes to Contract Standing Orders, Financial Regulations, Risk Management Strategy and related policies	Members expressed a view that a review of Contract Standing Orders was overdue. Internal reports were of a good quality – external reports considered by the Committee were not of the same quality. The Committee expressed a view that work carried out in this area was not quite as well known as it could be. SCORE: 3/4 OUT OF 5
Contributing to the development of an effective control environment.	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.	• This is a key strength of the Committee. It rigorously monitors implementation of recommendations and has followed up non-compliance with individual managers and has undertaken detailed scrutiny of some topics e.g. standards of case file recording. This encourages ownership of the control framework. • Process for monitoring implementation will be further strengthened during 2016/17.	This was an area of strength for the Committee, particularly on internal audit, but monitoring of external audit could be enhanced by more information about how recommendations the Committee had made were handled/progressed. SCORE: 4 OUT OF 5
Supporting the establishment of arrangements for the governance of risk and for effective arrangements to manage risks.	Reviewing risk management arrangements and their effectiveness, e.g. risk management benchmarking. Monitoring improvements. Holding risk owners to account for major / strategic risks.	• Committee agrees the Council's overall risk management strategy but last review was in 2014. • The AGS which is considered by the Committee includes corporate risks. • Consideration of other risks is picked up via consideration of the internal audit plan and the outcome of individual audits.	The Committee saw their role as holding major risk owners to account along with significant strategic risks. The Committee would like to consider Fire and Rescue IRMP (resources matched to risk). Members saw this as an area for improvement. The Committee expressed a view that they would like to consider the Corporate Risk Register at a future meeting(s). SCORE: 3 OUT OF 5
Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively.	Specifying it 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.	• The committee reviews and comments on external and internal audit's plans. • The Committee does not consider issues raised by other assurance providers whether external (such as Ofsted or peer reviews or internal (such as health and safety and information management inspections). • Effectiveness of external and internal audit considered via the respective annual reports. • Committee considered proposals on appointment of external auditors in Sept 2016 and will be involved in the External Assessment of internal audit during 2017.	The annual reports from internal and external audit on their effectiveness provided the Committee with appropriate assurance. The Committee expressed a desire to look at whether any gaps exist in the assurances they receive. In particular the Committee could have an annual round up of the key points made by external inspections such as Ofsted impacting on the internal control environment. SCORE: 3 OUT OF 5
Supporting the quality of the internal audit activity, particularly by underpinning it organisational independence.	Reviewing the audit charter and functional reporting arrangements. Assessing the effectiveness of internal audit arrangements and supporting improvements.	• The committee approves the Internal Audit Charter which includes reporting lines. Has also approved the QAIP. • Overall effectiveness is considered as part of the Committee's review of the Internal Audit Annual report.	Members felt that the Committee was performing strongly in this area. SCORE: 5 OUT OF 5
Aiding the achievement of the authority's goals and objectives through helping to ensure appropriate governance, risk, control and assurance arrangements.	Reviewing major projects and programmes to ensure that governance and assurance management are in place. Reviewing the effectiveness of performance management arrangements.	• The internal audit plan includes periodic audits of performance and programme / project management and audits on specific projects. • Focus of AGS and internal audit plan is on key risks facing the Council. • Detailed scrutiny of individual projects is the responsibility of the relevant Overview & Scrutiny Committee.	Members felt that they could rely on both the internal and external assurance work. The Committee expressed a view that they needed to be pro-active in relation to major projects and would be interested in looking at the process through which major projects were governed (perhaps a periodic review of major projects). SCORE: 3 OUT OF 5

Areas where the committee can add value by supporting improvement	Examples of how the committee can add value and provide evidence of effectiveness	Self-evaluation, examples, areas of strength and weakness	Score
Supporting the development of robust arrangements for ensuring value for money.	Ensuring that assurance on value for money arrangements is included in the assurance received by the audit committee. Considering how performance in value for money is evaluated as part of the AGS.	• Robust budget setting and capital programme monitoring processes. • Robust savings plans in place. • Committee considers draft contract standing orders and financial regulations. Relevant internal audits will review compliance with these with outcomes reported to the Committee. • The Committee considers the external auditor's annual VFM report.	The Committee agreed that they were not responsible for budget setting, but for ensuring that robust arrangements and processes were in place to ensure that value for money was always occurring. The Committee felt they gained sufficient assurance from the work of both internal and external audit. SCORE: 4/5 OUT OF 5
Helping the authority to implement the values of good governance, including effective arrangements for countering fraud and corruption risks.	Reviewing arrangements against the standards set out in CIPFA's Managing the Risk of Fraud (Red Book 2). 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.	• The Council has a proportionately low level of fraud and counter fraud activity reflects this. • The Committee considers the anti-fraud policy. • Internal Audit Board has requested a report on counter fraud activity. • All frauds are investigated with key issues reported to the Committee. • Key fraud risk areas considered when preparing the internal audit plan.	This was a positive area from the Committee's perspective. Whistleblowing was felt to be a cultural issue. SCORE: 5 OUT OF 5
Promoting effective public reporting to the authority's stakeholders and local community and measures to improve transparency and accountability.	Improving how the authority discharges its responsibilities for public reporting; for example, better targeting at the audience, plain English. Reviewing whether decision making through partnership organisations remains transparent and publicly accessible and encouraging greater transparency.	• The Committee has previously commented on the Statement of Accounts and Foreword (and a different narrative is required for this year). It has also previously considered quarterly reporting. • Accounts, Internal Audit Annual Report and AGS is available on the internet. • Robust consultation process in place. • Extensive information available on web-site.	It was the Committee's view that the Council relied heavily on the internet, despite the fact that only 20% of the public had access to the internet. The Committee expressed a view that the Head of Communications should report to a future meeting on what the Council is doing to improve in this area. SCORE: 3 OUT OF 5