

**North East Derbyshire District Council**

**Audit Committee**

**30 September 2024**

**Evaluating the Effectiveness of the  
Audit Committee**

**Report of the Director of Finance & Resources (S151 Officer)**

Classification: This report is public

Report By: Jayne Dethick – Director of Finance & Resources  
(S151 Officer)

Contact Officer: as above

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**PURPOSE/SUMMARY**

- For the Committee to assess its effectiveness

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**RECOMMENDATIONS**

1. That the Audit Committee undertake a self-assessment
2. That the completed self-assessment is reviewed by the Committee and if necessary, an action plan be presented to a future meeting.

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**IMPLICATIONS**

**Finance and Risk**

**Yes**

**No ✓**

There are no direct financial implications arising from this report.

On Behalf of the Section 151 Officer

**Legal including Data Protection**

**Yes**

**No ✓**

There are no legal implications arising directly from this report.

On Behalf of the Solicitor to the Council

**Staffing**

**Yes**

**No ✓**

There are no staffing issues arising directly from this report.

## **REPORT DETAILS**

### **1 Audit Committee Self-Assessment**

1.1 Audit committees are a key component of governance. Their purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. They play an important role in supporting leadership teams and elected representatives.

1.2 The Chartered Institute of Public Finance and Accountancy (CIPFA) has published guidance which emphasises the role and importance of an Audit Committee:

*“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 annual governance processes. Audit committees are an important source of assurance about an organisation’s arrangements for managing risk, maintaining an effective control environment and reporting on financial and other performance. The way in which an audit committee is organised will vary depending on the specific political and management arrangements in place in any organisation”*

1.3 The guidance covers the purpose of the Audit Committee, its core functions, independence and accountability, membership, and effectiveness. It also includes a self-assessment checklist to assist audit committees in measuring themselves against good practice. 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.

1.4 It is recommended practice that the self-assessment is undertaken periodically by the Committee. The results of the last assessment are attached at Appendix 1 for information.

### **2 Reasons for Recommendation**

2.1 To facilitate the Audit Committee to undertake a self-assessment.

### **4 Alternative Options and Reasons for Rejection**

4.1 There are no alternative options for consideration.

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## **DOCUMENT INFORMATION**

<b>Appendix No</b>	<b>Title</b>
1	Self-Assessment checklist

<b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
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