

<b>Meeting of:</b>	<b>GOVERNANCE AND AUDIT COMMITTEE</b>
<b>Date of Meeting:</b>	<b>21 MAY 2026</b>
<b>Report Title:</b>	<b>GOVERNANCE AND AUDIT COMMITTEE SELF-ASSESSMENT</b>
<b>Report Owner: Responsible Chief Officer / Cabinet Member</b>	<b>HEAD OF THE REGIONAL INTERNAL AUDIT SERVICE</b>
<b>Responsible Officer:</b>	<b>ANDREW WATHAN HEAD OF THE REGIONAL INTERNAL AUDIT SERVICE</b>
<b>Policy Framework and Procedure Rules:</b>	<b>The proposals in this report are in accordance with the policy framework and budget.</b>
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li>• <b>The Governance and Audit Committee is a key component of the Authority’s governance framework. Their purpose is to provide independent and high-level focus on the adequacy of the Authority’s governance, risk and control arrangements.</b></li> <li>• <b>The Chartered Institute of Public Finance and Accountancy (CIPFA) has produced a Position Statement (2022) setting out their view on audit committee practice and principles that local government bodies in the UK should adopt as well as additional guidance to support the establishment and effective operation of audit committees.</b></li> <li>• <b>The two interactive tools for Governance and Audit Committees to assess their effectiveness and impact have been completed; initially by an Internal Auditor and then discussed with Governance and Audit Committee members.</b></li> <li>• <b>The exercise resulted in the Governance and Audit Committee scoring 90% (180/200) on the Self-Assessment of Good Practice tool, indicating that the Committee demonstrates a high level of performance against CIPFA’s good practice principles.</b></li> <li>• <b>The Governance and Audit Committee also demonstrated a sufficient impact, within their scope of influence, on the promotion of good governance and effective public reporting, supporting effective risk management arrangements, and contributing to</b></li> </ul>

	<p><b>the development of an effective control environment across the Council.</b></p> <ul style="list-style-type: none"> <li>• <b>In addition, four low priority recommendations have been made and accepted which will also strengthen the Governance and Audit Committee’s conformance with CIPFA’s best practice guidance.</b></li> </ul>
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## **1. Purpose of Report**

- 1.1 The purpose of this report is to provide assurance that the Council’s Governance and Audit Committee (GAC) can demonstrate its effectiveness against the good practice principles set by the Chartered Institute of Public Finance and Accountancy (CIPFA) using the self-assessment tools provided.

## **2. Background**

- 2.1 The Governance and Audit Committee is a key component of the Authority’s governance framework. Their purpose is to provide independent and high-level focus on the adequacy of the Authority’s governance, risk and control arrangements.

- 2.2 The Chartered Institute of Public Finance and Accountancy (CIPFA) has produced a Position Statement (2022) setting out their view on audit committee practice and principles that local government bodies in the UK should adopt. CIPFA’s Position Statement sets out the purpose, model, core functions and membership of the audit committee which supplements the requirements of the Local Government and Elections (Wales) Act 2021.

- 2.3 CIPFA have also published additional guidance to support the establishment and effective operation of audit committees. This includes “*The Audit Committee Member in a Local Authority*” to support elected and lay members in understanding their responsibilities and Guiding the Audit Committee for those that support committee.

- 2.4 CIPFA’s additional guidance includes two interactive tools for Governance and Audit Committees to assess their effectiveness:

- The Self-Assessment of Good Practice tool allows Governance and Audit Committees to complete a high-level review of their performance against the good practice principles set out within the CIPFA’s Position Statement and guidance.
- The Improvement Tool supports Governance and Audit Committees to evaluate their impact and effectiveness. This tool identifies 10 broad areas where an Audit Committee will have an impact, and each area is then assessed against:
  - Examples of what the committee might do to have an impact within these areas.
  - Key indicators that might be expected to be in place if arrangements are effective. These indicators are not directly within the control of the Audit Committee.

## **3. Current situation/ proposal**

- 3.1 To provide assurance that the Council's Governance and Audit Committee (GAC) can demonstrate its effectiveness against the good practice principles set by the Chartered Institute of Public Finance and Accountancy (CIPFA) the following was initially completed by an Internal Auditor on behalf of the Committee:
- CIPFA's GAC Self-Assessment of Good Practice tool.
  - Evaluating the impact and effectiveness of GAC for the following areas:
    - Good Governance
    - Effective Control Environment
    - Management of Risk
    - Reporting to Stakeholders and Community
- 3.2 The Auditor worked through the self-assessment tool questions, collected evidence and reviewed GAC meetings to answer the questions posed.
- 3.3 A draft document was collated and a session held in March 2026 with GAC members to discuss the self-assessment questions, reflect on the Auditor's responses and make further observations and comments.
- 3.4 **Appendix A** is the internal audit report including the completed self-assessment tool and the self-evaluation of the impact and effectiveness of the GAC across the 4 areas highlighted above. The internal audit report also includes comments made by the GAC members.
- 3.5. The audit report at **Appendix A** identifies a number of strengths and areas of good practice which have been identified as follows:
- The Governance and Audit Committee scored 90% (180/200) on the Self-Assessment of Good Practice tool, indicating that the Committee demonstrates a high level of performance against CIPFA's good practice principles.
  - The Governance and Audit Committee has demonstrated a sufficient impact, within their scope of influence, on the promotion of good governance and effective public reporting, supporting effective risk management arrangements, and contributing to the development of an effective control environment across the Council.
- 3.6 In addition, during the audit, 4 low priority recommendations were made to strengthen the Governance and Audit Committee's conformance with CIPFA's best practice guidance. These are contained within the report at **Appendix A** and have been accepted by Officers and will be implemented.
- 4. Equality implications (including Socio-economic Duty and Welsh Language)**
- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. This is an information report, therefore it is not

necessary to carry out an Equality Impact assessment in the production of this report. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

## **5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

5.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

## **6. Climate Change and Nature Implications**

6.1 There are no climate change or nature implications arising from this report.

## **7. Safeguarding and Corporate Parent Implications**

7.1 There are no safeguarding or corporate parent implications arising from this report.

## **8. Financial Implications**

8.1 There are no resource implications as a direct consequence of this report.

## **9. Recommendation**

9.1 Members of the Governance and Audit Committee are recommended to note the outcome of the self-assessment of the effectiveness of the Governance and Audit Committee.

## **Background documents**

None