



Derby City Council

AUDIT & ACCOUNTS COMMITTEE
19 June 2018

ITEM 15

Report of the Strategic Director of Corporate Resources

Audit Committees – Practical Guidance for Local Authorities and Police – 2018 Edition

SUMMARY

- 1.1 This report provides members with a synopsis of the latest Chartered Institute of Public Finance and Accountancy (CIPFA) guidance on Audit Committees.

RECOMMENDATION

- 2.1 To note the CIPFA Position Statement on Audit Committees contained in the document “Audit Committees - Practical Guidance for Local Authorities and Police – 2018 Edition”.
- 2.2. To nominate a small working group of Committee members, supported by the chief internal auditor, to review the committee's current terms of reference in line with the suggested model terms of reference in the CIPFA guidance.

REASONS FOR RECOMMENDATION

- 3.1 The Audit and Accounts Committee is responsible for providing assurance to the Council on the effectiveness of the governance arrangements, risk management framework and internal control environment.
- 3.2 The Committee’s terms of reference

SUPPORTING INFORMATION

- 4.1 In May 2018 CIPFA published “Audit Committees – Practical Guidance for Local Authorities and Police”. This document, which replaces the 2013 Edition, sets out CIPFA’s guidance on the function and operation of audit committees, giving their view of best practice. It includes their 2018 Position Statement which replaces the one issued in 2013. The Position Statement (see appendix 2) emphasises the importance of audit committees and their role as a key component of governance.

- 4.2 The Guidance states that “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. By overseeing internal and external audit it makes an important contribution to ensuring that effective assurance arrangements are in place.”
- 4.3 The Guidance sets out the CIPFA position statement, then expands on;
- The Purpose of Audit Committees
 - The Core Functions of an Audit Committee
 - Possible Wider functions of an Audit Committee
 - Independence and Accountability
 - Membership and Effectiveness – including common areas of difficulty and approaches to improvement and evaluating effectiveness. A knowledge and skills framework for Audit Committee members is also provided (see Appendix 3) and a self -assessment of good practice (see Appendix 4).

This guidance is used as the basis of the induction programme for all members of this Committee.

- 4.4 The main changes within the 2018 guidance are:
- Updated references to changes in legislation and sectoral guidance e.g.
 - Good Governance (Delivering Good Governance in Local Government Framework 2016),
 - Internal Audit (Accounts & Audit Regulations 2015 and the requirements of the Public Sector Internal Audit Standards)
 - Countering Fraud and Corruption (Code of Practice on Managing the Risk of Fraud and Corruption, 2014 and Internal Audit’s Role In Counter Fraud, 2017)
 - External Audit (Local Audit & Accountability Act, 2014)
 - Expansion of the “Core Functions” chapter
 - Section on External Audit now covers changes to the appointment of External Auditors, monitoring the external audit process, supporting independence, receiving and considering the work of external audit and supporting the quality and effectiveness of the external audit process.
 - Inclusion of collaboration within the Partnership Governance section
 - Re-positioning of ethical values section from Chapter on “Possible Wider Functions”
 - New section in “Possible Wider Functions” chapter on Ethics Committee and Standards Committee Roles.
 - More focus on size/membership of committees, based on the findings from CIPFA’s 2016 survey of audit committees, including the inclusion of independent members on the Committee. The guidance states “CIPFA endorses the approach of mandating the inclusion of a lay or independent member and recommends that those authorities, for whom it is not a requirement, actively explore the appointment of an independent member to the committee.” The membership of this Committee has been changed from the 2018/19 Municipal Year to include 2 independent members.

- 4.5 The Guidance also provides a suggested Terms of Reference for a local authority Audit Committee. It was agreed by Committee at its meeting on 19 September 2017 that a Working Group would be established to review the current Terms of Reference. However, it was decided to defer any meetings of the Working Group until the CIPFA Guidance on Audit Committees was published. Committee now needs to nominate members for a small working group to review the guidance and produce revised Terms of Reference for approval at the July meeting.

OTHER OPTIONS CONSIDERED

5.1 N/A

This report has been approved by the following officers:

Legal officer	n/a
Financial officer	n/a
Human Resources officer	n/a
Estates / Property officer	n/a
Service Director(s)	n/a
Other(s)	n/a

For more information contact:	Richard Boneham, Head of Audit Partnership, 01332 643280 richard.boneham@derby.gov.uk
Background papers:	None
List of appendices:	Appendix 1 – Implications Appendix 2 - CIPFA Position Statement Appendix 3 – Knowledge and skills framework for members Appendix 4 - Self Assessment

IMPLICATIONS

Financial and Value for Money

1.1 None arising from this report

Legal

2.1 None arising from this report

Personnel

3.1 None arising from this report

IT

4.1 None arising from this report

Equalities Impact

5.1 None arising from this report

Health and Safety

6.1 None arising from this report

Environmental Sustainability

7.1 None arising from this report

Property and Asset Management

8.1 None arising from this report

Risk Management

9.1 None arising from this report.

Corporate objectives and priorities for change

10.1 The functions of the Committee have been established to support delivery of corporate objectives by enhancing scrutiny of various aspects of the Council's controls and governance arrangements.

CIPFA Position Statement : Audit Committees in Local Authorities and Police

The scope of this Position Statement includes all principal local authorities in the UK, the audit committees for PCCs and chief constables in England and Wales, and the audit committees of fire and rescue authorities.

1. Audit committees are a key component of an authority's governance framework. Their function is to provide an independent and high-level resource to support good governance and strong public financial management.
2. 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 governance processes. By overseeing both internal and external audit it makes an important contribution to ensuring that effective assurance arrangements are in place.
3. Authorities and police audit committees should adopt a model that establishes the committee as independent and effective. The committee should:
 - act as the principal non-executive, advisory function supporting those charged with governance
 - in local authorities, be independent of both the executive and the scrutiny functions and include an independent member where not already required to do so by legislation
 - in police bodies, be independent of the executive or operational responsibilities of the PCC or chief constable
 - have clear rights of access to other committees/functions, for example, scrutiny and service committees, corporate risk management boards and other strategic groups
 - be directly accountable to the authority's governing body or the PCC and chief constable.

4. The core functions of an audit committee are to:

- be satisfied that the authority's assurance statements, including the annual governance statement, properly reflect the risk environment and any actions required to improve it, and demonstrate how governance supports the achievement of the authority's objectives
- in relation to the authority's internal audit functions:
 - oversee its independence, objectivity, performance and professionalism
 - support the effectiveness of the internal audit process
 - promote the effective use of internal audit within the assurance framework
- consider the effectiveness of the authority's risk management arrangements and the control environment, reviewing the risk profile of the organisation and assurances that action is being taken on risk-related issues, including partnerships and collaborations with other organisations
- monitor the effectiveness of the control environment, including arrangements for ensuring value for money, supporting standards and ethics and for managing the authority's exposure to the risks of fraud and corruption
- consider the reports and recommendations of external audit and inspection agencies and their implications for governance, risk management or control
- support effective relationships between external audit and internal audit, inspection agencies and other relevant bodies, and encourage the active promotion of the value of the audit process.
- review the financial statements, external auditor's opinion and reports to members, and monitor management action in response to the issues raised by external audit.

5. An audit committee can also support its authority by undertaking a wider role in other areas including:

- considering governance, risk or control matters at the request of other committees or statutory officers

- working with local standards and ethics committees to support ethical values
- reviewing and monitoring treasury management arrangements in accordance with Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes (CIPFA, 2017)
- providing oversight of other public reports, such as the annual report.

6. Good audit committees are characterised by:

- a membership that is balanced, objective, independent of mind, knowledgeable and properly trained to fulfil their role. The political balance of a formal committee of a council will reflect the political balance of the council, however, it is important to achieve the right mix of apolitical expertise
- a membership that is supportive of good governance principles and their practical application towards the achievement of organisational objectives
- a strong independently minded chair – displaying a depth of knowledge, skills and interest. There are many personal qualities needed to be an effective chair, but key to these are:
 - promoting apolitical open discussion
 - managing meetings to cover all business and encouraging a candid approach from all participants
 - an interest in and knowledge of financial and risk management, audit, accounting concepts and standards, and the regulatory regime
- unbiased attitudes – treating auditors, the executive and management fairly
- the ability to challenge the executive and senior managers when required.

7. To discharge its responsibilities effectively the committee should:

- meet regularly – at least four times a year, and have a clear policy on those items to be considered in private and those to be considered in public
- be able to meet privately and separately with the external auditor and with the head of internal audit

- include, as regular attendees, the CFO(s), the chief executive, the head of internal audit and the appointed external auditor. Other attendees may include the monitoring officer (for standards issues) and the head of resources (where such a post exists). These officers should also be able to access the committee, or the chair, as required
- have the right to call any other officers or agencies of the authority as required, while recognising the independence of the chief constable in relation to operational policing matters
- report regularly on its work to those charged with governance, and at least annually report an assessment of their performance. An annual public report should demonstrate how the committee has discharged its responsibilities.

Appendix 3

Audit Committee Members – Knowledge and Skills Framework

Core areas of knowledge

Knowledge Area	Details of core knowledge required	How the audit committee member is able to apply the knowledge
Organisational knowledge	An overview of the governance structures of the authority and decision-making processes. Knowledge of the organisational objectives and major functions of the authority	This knowledge will be core to most activities of the audit committee including review of the Annual Governance Statement, internal and external audit reports and risk registers
Audit Committee role and functions	An understanding of the audit committee's role and place within the governance structures. Familiarity with the committee's terms of reference and accountability arrangements. Knowledge of the purpose and role of the audit committee	This knowledge will enable the audit committee 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	Knowledge of the six principles of the CIPFA/SOLACE Good Governance Framework and the requirements of the Annual Governance Statement (AGS). Knowledge of the local code of governance	The committee will plan the assurances it is to receive in order to adequately support the AGS. The committee will review the AGS and consider how the authority is meeting the principles of good governance.
Internal audit	An awareness of the key principles of the <i>Public Sector Internal Audit Standards</i> and the <i>local Government Application Note</i> .	The audit committee has oversight of the internal audit function and will monitor its adherence to professional internal audit standards.

Knowledge Area	Details of core knowledge required	How the audit committee member is able to apply the knowledge
	<p>Knowledge of the arrangements for delivery of the internal audit service in the authority and how the role of the head of internal audit is fulfilled.</p>	<p>The audit committee will review the assurances from internal audit work and will review the risk-based audit plan.</p> <p>The committee will also receive the annual report, including an opinion and information on conformance with professional standards.</p> <p>In relying on the work of internal audit, the committee will need to be confident that professional standards are being followed.</p>
Financial management and accounting	<p>Awareness of the financial statement that a local authority must produce and the principles it must follow to produce the.</p> <p>Understanding of good financial management principles.</p> <p>Knowledge of how the organisation meets the requirements of the role of the chief financial officer, as required by the <i>CIPFA Statement on the Role of the Chief Financial officer in Local Government</i>.</p>	<p>Reviewing the financial statements prior to publication asking questions.</p> <p>Receiving the external audit report and opinion on the financial audit.</p> <p>Reviewing both external and internal audit recommendations relating to financial management and controls.</p> <p>The audit committee should consider the role of the CFO and how this is met when reviewing the AGS.</p>
External Audit	<p>Knowledge of the role and functions of the external auditor and who currently undertake this role.</p> <p>Knowledge of the key reports and assurances that external audit will provide.</p> <p>Knowledge about arrangements for the appointment of auditors and quality monitoring undertaken.</p>	<p>The audit committee should meet with the external auditor regularly and receive their reports and opinions.</p> <p>Monitoring external audit recommendations and maximising benefit from audit process.</p> <p>The audit committee should monitor the relationship between the external auditor and the authority and support the delivery of an effective service.</p>
Risk management	<p>Understanding of the principles of risk management, including linkage to good governance and decision making.</p> <p>Knowledge of the risk management policy and strategy of the organisation.</p> <p>Understanding of risk governance arrangements, including the role of members and of the audit committee.</p>	<p>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.</p> <p>Keeping up to date with the risk profile is necessary to support the review of a number of audit committee agenda items, including the risk-based internal audit plan, external audit plans and the explanatory foreword of the accounts. Typically, risk registers will be used to inform the committee.</p> <p>The committee should also review reports and action plans to develop the application of risk management practice.</p>
Counter- fraud	<p>An understanding of the main areas of fraud risk the organisation is exposed to.</p> <p>Knowledge of the principles of good fraud risk management practice (Red Book 2)</p> <p>Knowledge of the organisation's arrangements for tackling fraud.</p>	<p>Knowledge of fraud risks and good fraud risk management practice will be helpful when the committee reviews the organisation's fraud strategy and receives reports on the effectiveness of that strategy.</p> <p>An assessment of arrangement should support the AGS and knowledge of good fraud risk management practice will support the audit committee member in reviewing that assessment.</p>
Values of good	Knowledge of the Seven Principles	The audit committee member will draw on

Knowledge Area	Details of core knowledge required	How the audit committee member is able to apply the knowledge
governance	of Public Life. Knowledge of the authority's key arrangements to uphold ethical standards for both members and staff. Knowledge of the whistleblowing arrangements in the authority.	this knowledge when reviewing governance issues and the AGS. Oversight of the effectiveness of whistleblowing will be considered as part of the AGS. The audit committee member should know to whom concerns should be reported.
Treasury management (only if it is within the terms of reference of the committee to provide scrutiny)	<i>Effective Scrutiny of Treasury management</i> is an assessment tool for reviewing the arrangements for undertaking scrutiny of treasury management. The key knowledge areas identified are: <ul style="list-style-type: none"> • Regulatory requirements • Treasury risks • The organisation's treasury management strategy • The organisation's policies and procedures in relation to treasury management 	Core knowledge on treasury management is essential for the committee undertaking the role of scrutiny.

Specialist Knowledge that adds value to the Audit Committee

Knowledge area	Details of supplementary knowledge	How the audit committee member is able to add value to the committee
Accountancy	<ul style="list-style-type: none"> • Professional qualification in accountancy 	<ul style="list-style-type: none"> • More able to engage with the review of the accounts and financial management issues coming before the committee. • Having an understanding of the professional requirements and standards that the finance function must meet will provide helpful context for discussions of risks and resource issues. • More able to engage with the external auditors and understand the results of audit work.
Internal audit	<ul style="list-style-type: none"> • Professions qualification in internal audit 	<ul style="list-style-type: none"> • This would offer in-depth knowledge of professional standards of internal audit and good practice in internal auditing. • The committee would be more able to provide oversight of internal audit and review the output of audit reports.

Risk management	<ul style="list-style-type: none"> • Risk management qualification. • Practical experience of applying risk management. • Knowledge or risks and opportunities associated with major areas of activity. 	<ul style="list-style-type: none"> • Enhanced knowledge of risk management will inform the committee's oversight of the development of risk management practice. • Enhanced knowledge of risks and opportunities will be helpful when reviewing risk registers.
Governance and legal	<ul style="list-style-type: none"> • Legal qualification and knowledge of specific areas of interest to the committee, for example constitutional arrangements, data protection or contract law, 	<ul style="list-style-type: none"> • Legal knowledge may add value when the committee considers areas of legal risk or governance issues.
Service knowledge relevant to the functions of the organisation	<ul style="list-style-type: none"> • Direct experience of managing or working in a service area similar to that operated by the authority. • Previous Scrutiny Committee experience. 	<ul style="list-style-type: none"> • Knowledge of relevant legislation, risks and challenges associated with major service areas will help the audit committee to understand the operational context.
Programme and project management	<ul style="list-style-type: none"> • Project management qualifications or practical knowledge of project management principles. 	<ul style="list-style-type: none"> • Expert knowledge in this area will be helpful when considering project risk management or internal audit reviews.
IT systems and IT governance	<ul style="list-style-type: none"> • Knowledge gained from management or development work in IT 	<ul style="list-style-type: none"> • Knowledge in this area will be helpful when considering IT governance arrangements or audit reviews of risks and controls.

Core Skills

Skills	Key elements	How the audit committee member is able to apply the skill
Strategic thinking and understanding of materiality	<ul style="list-style-type: none"> • Able to focus on material issues and overall position, rather than being side-tracked by detail 	<ul style="list-style-type: none"> • When reviewing audit reports, finding will include areas of higher risk, or materiality to the organisation, but may also contain more minor errors or control failures. The audit committee member will need to pitch their review at an appropriate level to avoid spending too much time on detail.
Questioning and constructive challenge	<ul style="list-style-type: none"> • Able to frame questions that draw out relevant facts and explanations. • Challenging performance and seeking explanation while avoiding hostility or grandstanding. 	<ul style="list-style-type: none"> • The audit committee will review reports and recommendations to address weaknesses in internal control. The audit committee member will seek to understand the reasons for weaknesses and ensure a solution is found.
Focus on improvement	<ul style="list-style-type: none"> • Ensuring there is a clear plan of action and allocation of 	<ul style="list-style-type: none"> • The outcome of the audit committee will be to secure improvements to the

Skills	Key elements	How the audit committee member is able to apply the skill
	responsibility	governance, risk management or control of the organisation, including clearly defined actions and responsibilities. <ul style="list-style-type: none"> Where errors or control failures have occurred, then the audit committee should seek assurances that appropriate action has been taken.
Able to balance practicality against theory	<ul style="list-style-type: none"> Able to understand the practical implications of recommendations to understand how they might work in practice. 	<ul style="list-style-type: none"> The audit committee should seek assurances that planned actions are practical and realistic.
Clear communication skills and focus on the needs of users	<ul style="list-style-type: none"> Support the use of plain English in communications, avoiding jargon, acronyms, etc 	<ul style="list-style-type: none"> The audit committee will seek to ensure that external documents such as the Annual Governance Statement and the narrative report in the accounts are well written for a non-expert audience.
Objectivity	<ul style="list-style-type: none"> Evaluate information on the basis of evidence presented and avoiding bias or subjectivity. 	<ul style="list-style-type: none"> The audit committee will receive assurance reports and review risk registers. There may be differences of opinion about the significance of risk and the appropriate control responses and the committee member will need to weigh up differing views.
Meeting management skills	<ul style="list-style-type: none"> Chair the meeting effectively: summarise issues raised, ensure all participants are able to contribute, focus on the outcome and actions from the meeting. 	<ul style="list-style-type: none"> These skills are essential for the audit committee chair to help ensure that meetings stay on track and address the items on the agenda. The skills are desirable for all other members.

Self-assessment of Good Practice and Effectiveness

Good practice questions	Yes	Partly	No
Audit committee purpose and governance			
1 Does the authority have a dedicated audit committee?			
2 Does the audit committee report directly to full council?			
3 Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's Position Statement?			
4 Is the role and purpose of the audit committee understood and accepted across the authority?			
5 Does the audit committee provide support to the authority in meeting the requirements of good governance?			
6 Are the arrangement to hold the committee to account for its performance operating satisfactorily?			
Functions of the committee			
7 Do the committee's terms of reference explicitly address all the core areas identified in CIPFA's Position Statement? <ul style="list-style-type: none"> • Good governance • Assurance framework, including partnerships and collaboration arrangements • Internal audit • External audit • Financial reporting • Risk management • Value for money or best value • Counter-fraud and corruption • Supporting the ethical framework 			
8 Is an annual evaluation undertaken to assess whether the committee is fulfilling its terms of reference and that adequate consideration has been given to all core areas?			
9 Has the audit committee considered the wider areas identified in CIPFA's Position Statement and whether it would be appropriate for the committee to undertake them?			
10 Where coverage of core areas has been found to be limited, are plans in place to address this?			
11 Has the committee maintained its non-advisory role by not taking on any decision-making powers that are not in line with its core purpose?			
Membership and support			
12 Has an effective audit committee structure and composition of the committee been selected?			

Good practice questions	Yes	Partly	No
This should include: <ul style="list-style-type: none"> • Separation from the executive • An appropriate mix of knowledge and skills among the membership • A size of committee that is not unwieldy • consideration has been given to the inclusion of at least one independent member (where it is not already a mandatory requirement) 			
13 Have independent members appointed to the committee been recruited in an open and transparent way and approved by the full council?			
14 Does the chair of the committee have appropriate knowledge and skills?			
15 Are arrangements in place to support the committee with briefings and training?			
16 Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory?			
17 Does the committee have good working relations with key people and organisations, including external audit, internal audit and the chief financial officer?			
18 Is adequate secretariat and administrative support to the committee provided?			
19 Has the committee obtained feedback on its performance from those interacting with the committee or relying on its work?			
20 Are meetings effective with a good level of discussion and engagement from all the members?			
21 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?			
22 Are meetings effective with a good level of discussion and engagement from all the members?			
23 Has the committee evaluated whether and how it is adding value to the organisation?			
24 Does the committee have an action plan to improve any areas of weakness?			
25 Does the committee publish an annual report to account for its performance and explain its work?			

Evaluating the effectiveness of the audit committee

Key

- 5 Clear evidence is available from a number of sources that the committee is actively supporting improvements across all aspects of this area. The improvements made are clearly identifiable.
- 4 clear evidence from some sources that the committee is actively and effectively supporting improvement across some aspects of this area
- 3 The committee has had mixed experience in supporting improvement in this area. There is some evidence that demonstrates their impact but there are also significant gaps
- 2 There is some evidence that the committee has supported improvements, but the impact of this support is limited.
- 1 No evidence can be found that the audit committee has supported improvements in this area.

Areas where the audit committee can add value by supporting improvement	Examples of how the audit committee can add value and provide evidence of effectiveness	Self-evaluation examples – areas of strength and weakness	Overall assessment; 5 – 1 (see key above)
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 robust review of the AGS and the assurances underpinning it. • Working with key members 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. 		
Contributing to the development of an effective control environment	<ul style="list-style-type: none"> • Actively monitoring the implementation of recommendations from auditors. 		

	<ul style="list-style-type: none"> • Encouraging ownership of the internal control framework by appropriate managers. • Raising significant concerns over controls with appropriate senior managers. 		
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, e.g. risk management benchmarking. • Monitoring improvements. • Holding risk owners to account for major / strategic risks. 		
Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively.	<ul style="list-style-type: none"> • Specifying its assurance needs, identifying gaps or overlaps in assurance. • Seeing to streamline assurance gathering and reporting. • Reviewing the effectiveness of assurance providers, eg internal audit, risk management, external audit. 		
Supporting the quality of the internal audit activity, particularly by 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 and supporting improvements. • Actively supporting the quality assurance and improvement programme of internal audit 		
Aiding the achievement of the authority's goals and objectives through 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 		

	<p>assurance arrangements are in place.</p> <ul style="list-style-type: none"> • Reviewing the effectiveness of performance management arrangements. 		
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. 		
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 arrangement against the standards set out in the Code of Practice on Managing the Risk of Fraud and Corruption (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. 		
Promoting effective public reporting to the authority’s stakeholders and local community and measures to improve transparency and accountability	<ul style="list-style-type: none"> • 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. • Publishing an annual report from the committee. 		