

Risks to the committee's effectiveness	Potential controls
<ol style="list-style-type: none"> 1. The council's wider framework of governance is unclear or ineffective and cannot be amended due to political, financial or other constraints. 2. The committee is directed to matters that do not support its core objectives because its remit is too wide or unfocussed or is not understood. 3. The committee's members use the committee for political purposes rather than to achieve better governance of the council overall. 4. There is a lack of political will to ensure the effective operation of the committee. 5. Appropriate skills and experience are unavailable within the committee's membership to address its terms of reference. 6. There is a high turnover of members and a lack of continuity. 7. Members do not adequately engage with the information presented to them because they are insufficiently aware of the committee's role and responsibilities, or because they have other conflicting priorities and insufficient time. 8. The committee does not receive the information and representations required to undertake its role effectively because officers are unable to provide the training or information required to support the committee's work or enact decisions made by the committee because they have other conflicting priorities and insufficient resources. 9. Financial resources are unavailable to meet the committee's need for adequate officer support and any additional professional advice. 	<ol style="list-style-type: none"> A The council's administration supports the need for good governance and the requirement for an effective committee and allocates adequate resources to this. B The council's wider framework of corporate governance is clearly set out, regularly reviewed, and understood by the council's officers and the administration. C The committee's terms of reference adequately address what the council requires the committee to achieve and how it operates. D The committee is independent of both the executive and scrutiny functions. E Members are regularly reminded of the need to act independently and objectively. F Members of the committee are selected on the basis of their skills and prior experience. G Some proportion of the members is independent and appointed on the basis of their skills. H Membership is sufficient to ensure an adequate skill base but not so large that individual members feel their participation is optional. I The committee has clear rights of access to other committees and senior officers. J All members receive appropriate, timely training, briefings and support to understand their role on the committee and its business. K Substitution of members is not accepted unless the substitute has received appropriate training and has appropriate skills. L Members' effectiveness in their role is periodically reviewed, and their membership reconsidered. M There is a clear programme of regular meetings and agendas are set well in advance. N The chair works with officers to set the committee's agenda, directing it towards the committee's responsibilities. O The chair conducts the committee's discussions and decision-making effectively. P The agendas include the opportunity to confirm that decisions taken at earlier meetings have been enacted and issues of concern followed up. Q The committee as a whole periodically undertakes a robust self-assessment of its effectiveness, informed by an understanding of its role and the council's requirements. R The chair provides an annual report to the Council of the committee's activities and achievements. S Relevant information is provided to the committee in a timely manner, and is sufficient, succinct, reliable and accurate. T Officers attend to present information when necessary, at whatever level of seniority is required to conduct the committee's business effectively. U Opportunities are provided for the members of the committee to meet the internal and external auditors without other officers present.

The Audit and Governance Committee's effectiveness as an element of the Council's governance framework: risk and control framework

Risks (summarised):	1. The council's wider governance framework is unclear or ineffective.	2. The committee is directed to matters that do not support its core objectives.	3. The committee's members use the committee for political purposes rather than the governance of the council overall.	4. There is a lack of political will to address and ensure the effective operation of the committee.	5. Appropriate skills and experience are unavailable within the committee's membership.	6. There is a high turnover of members and a lack of continuity.	7. Members do not adequately engage with the information presented to them.	8. The committee does not receive the information from officers to undertake its role effectively.	9. Financial resources are unavailable to provide adequate officer support and any additional professional advice.
Possible controls:									
A. The council's administration supports the need for good governance and the requirement for an effective committee, and allocates adequate resources to this.	✓	✓		✓					✓
B. The council's wider framework of corporate governance is clearly set out, regularly reviewed, and understood by the council's officers and the administration.	✓	✓							
C. The committee's terms of reference adequately address what the council requires the committee to achieve and how it operates.		✓	✓				✓		
D. The committee is independent of both the executive and scrutiny functions.			✓						
E. Members are regularly reminded of the need to act independently and objectively.			✓						
F. Members are selected on the basis of their skills and prior experience.			✓			✓	✓		
G. Some proportion of the members is independent and appointed on the basis of their skills.			✓		✓		✓		
H. Membership is sufficient to ensure an adequate skill base but not so large that individual members feel their participation is optional.					✓	✓			
I. The committee has clear rights of access to other committees, and senior officers.								✓	
J. All members are given appropriate and timely training and support to understand their role on the committee and its business.					✓		✓		
K. Substitution of members is not accepted unless the substitute has received appropriate training and has appropriate skills.						✓	✓		

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L. Members' effectiveness in their role is periodically reviewed, and their membership reconsidered.			✓		✓	✓	✓		
M. There is a clear programme of regular meetings and agendas are set well in advance.		✓					✓	✓	
N. The chair works with officers to set the committee's agenda, directing it towards the committee's responsibilities.							✓	✓	
O. The chair conducts the committee's discussions and decision-making effectively.			✓				✓		
P. The agendas include the opportunity to confirm that decisions taken at earlier meetings have been enacted and issues of concern followed up.								✓	
Q. The committee as a whole periodically undertakes a self-assessment of its effectiveness.		✓	✓						
R. The chair provides an annual report to the Council of the committee's activities and achievements.		✓		✓					
S. Relevant information is provided to the committee in a timely manner, and is sufficient, succinct, reliable and accurate.							✓	✓	
T. Officers attend to present information when necessary, at whatever level of seniority is required to conduct the committee's business effectively.								✓	
U. Opportunities are provided for the members of the committee to meet the internal and external auditors without other officers present.								✓	

The Audit and Governance Committee's effectiveness as an element of the Council's governance framework: action plan

Proposed actions

	Action	Control(s) addressed
1	The operation of the governance framework for the Council overall should be reviewed including the roles of, and relationships between, the Council's committees including the Audit and Governance Committee, scrutiny committees, the Cabinet Committee on Performance Improvement, the Corporate Governance Working Group and Cabinet. Specific issues that should be addressed are the alignment of the governance of treasury management and borrowing with the oversight of capital investment and the council's revenue position; members' conduct and standards issues; and the oversight of risk and performance management.	A, B
2	The revised/ clarified role and responsibilities of the Audit and Governance Committee within the council's governance framework should be reflected in its terms of reference.	A, B
3	The committee's terms of reference should be reviewed and revised annually by officers working with the administration and with a good understanding of the committee's purpose and relationship to the other elements of the council's governance framework, to ensure alignment with that framework and compliance with current good practice.	C
4	A clear direction should be given annually by the chair (supported by the monitoring officer and Democratic Services' officers) to the committee that its members should act objectively and that their independence of mind is crucial to the committee's effective operation. It should also make clear that substitutions should not be made unless the substitute has been trained to undertake the role.	E, K
5	As the committee's membership is established by each political group, consideration should be given to the skills and expertise available amongst elected members and their wishes.	F
6	Skills specifications should be developed and agreed for the committee's chair and members.	E, L
7	Renewed consideration should be given to the training required by members, and particularly the chair, and appropriate training provided for all. The views of senior officers (the monitoring officer, head of internal audit, director of financial resources and external audit director) and the committee's members should be sought regarding how best to meet their needs most effectively.	J
8	A senior Democratic Services officer should work with the chair of the committee and senior colleagues to establish the schedule of meetings and their agendas at the start of each year, and review this as the agenda is confirmed in advance of each meeting, amending it as necessary to include for example outstanding issues and decisions taken at earlier meetings.	M, N, P
9	As members are more effectively trained to understand their role, the chair should be supported by officers periodically to undertake a self-assessment with the committee.	Q
10	The committee should prepare and present an annual report of its activity against its terms of reference, to facilitate assessments of its effectiveness.	R