

Committee Report Checklist

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.

Stage 1

Report checklist – responsibility of report owner

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing	Yes	05/11/25
Commissioner engagement (if report focused on issues of concern to Commissioners such as Finance, Assets etc)	N/A	
Relevant Group Head review	Y	12/09/25
MAT+ review (to have been circulated at least 5 working days before Stage 2)	N/A	
This item is on the Forward Plan for the relevant committee	Y	
	Reviewed by	
Finance comments	LH	12/09/25
Risk comments	LH	07/11/25
Legal comments	LH	12/09/25
HR comments (if applicable)	N/A	

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

Stage 2

Report checklist – responsibility of report owner

ITEM	Completed by	Date
Monitoring Officer commentary – at least 5 working days before MAT	L Heron	12/09/25
S151 Officer commentary – at least 5 working days before MAT	T.Collier	2/11/25
Confirm final report cleared by MAT		

Audit Committee

27 November 2025

Title	Review of Effectiveness of Audit Committee
Purpose of the report	To inform and assure
Report Author	Linda Heron, Monitoring Officer Terry Collier, Chief Finance Officer
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	N/A
Corporate Priority	Community Addressing Housing Need Resilience Environment Services
Recommendations	Committee is asked to: <ol style="list-style-type: none">1. Consider and endorse the findings of the assessment of effectiveness of Audit Committee (Appendix A);2. Develop a plan to identify opportunities to improve and strengthen the work of the Audit Committee (Appendix B); and3. Agree the revised Terms of Reference for Audit Committee (Appendix C) for consideration by the Committee System Working Group.
Reason for Recommendation	To present the Audit Committee with the findings of the review of effectiveness carried out during July – September 2025

1. Executive summary of the report *(expand detail in Key Issues section below)*

What is the situation	Why we want to do something
<ul style="list-style-type: none">• CIPFA sets out its guidance on the function and operation of audit committees in local authorities and police bodies	<ul style="list-style-type: none">• This report seeks to inform the Audit Committee of the findings of the of the independent review of effectiveness undertaken during July – September

	2025 against CIPFA's view of best practice
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> Consider the findings of the assessment 	<ul style="list-style-type: none"> Endorse action(s) to improve and develop the effectiveness of the Audit Committee as appropriate

2. Key issues

- 2.1 Audit Committees are a key component of governance and an important source of assurance about an organisation's governance, the arrangements for managing risk, maintaining an effective internal control environment and reporting on financial and other performance.
- 2.2 CIPFA's Position Statement: Audit Committees in Local Authorities and Police 2022 ("CIPFA Guidance") sets out the latest best practice published guidance on the function and operation of Audit Committees in the public sector.
- 2.3 CIPFA Guidance recommends that local authority Audit Committees conduct an annual assessment of their effectiveness; a template for self-assessment is contained within CIPFA Guidance.
- 2.4 Rob Winter, an external consultant on public sector audit, risk and governance, has undertaken a review of the effectiveness of the Audit Committee during July – September 2025 and summary report is attached in Appendix A ("the Report").
- 2.5 The findings of the review of effectiveness of the Audit Committee are set out in paragraphs 11 – 43 (inclusive) and are divided into 4 sections: Terms of Reference, Committee membership and structure, Audit Committee management and Audit Committee impact and influence. The corresponding recommendations are set out in Appendix 1 of the Report.
- 2.6 Taking each section in turn:

Terms of reference

Recommendations 1-5 (inclusive) state as follows:

- review Terms of Reference and change the format to assist agenda planning
- responsibility for approval of the statutory accounts and the Annual Governance Statement to rest with Council not the Audit Committee
- undertake wider review of the Terms of Reference of other Committees
- review format of the Audit Committee reports.

Committee membership and structure

Recommendations 6-11 (inclusive) state as follows:

- consider the appointment of one of the independent members as Committee Chair
- increase quoracy to 4 members and 1 independent member

- stop use of substitutes
- no policy committee chairs are to be members of the Audit Committee
- each Committee member to complete a training needs assessment
- make provision for training sessions in advance of each meeting

Audit Committee management

Recommendation 12 states as follows:

- increase the number of formal meetings to 8 per annum

Audit Committee impact and influence

Recommendations 13-15 state as follows:

- review the nature of the Chair's briefing
- the Chair should have scheduled meetings with the Head of Internal Audit and the Council's statutory officers (Chief Executive, Monitoring Officer, and Chief Finance Officer)
- the Chair and Committee should have scheduled meetings with the Head of Internal Audit and the External Audit lead without management present
- suggested actions to raise the profile and impact of the Audit Committee

- 2.7 The Committee is invited to consider the Report and prepare an action plan for endorsement by the Council. It is suggested that progress against the action plan should be considered at each Audit Committee meeting and further reported to the Council.

3. Options appraisal and proposal

- 3.1 The Audit Committee is asked to consider the draft responses to the recommendations in the Report (please see Appendix B) and develop an action plan to address areas for improvement.
- 3.2 **Option 1: Recommended** – Agree the report in its entirety and accept all the recommendations; agree the action plan in Appendix B and the updated Terms of Reference for Audit Committee in Appendix C.
- 3.3 **Option 2:** Committee to suggest modifications to recommendations or highlight specific recommendations it does not wish to progress.
- 3.4 **Option 3:** Committee to reject the report and its recommendations.

4. Risk implications

- 4.1 There are no risk implications arising directly from the report, but it should be noted that proposed improvements will assist the Audit Committee to provide an effective and robust independent review of the Council's governance, risk management and internal control arrangements and their effectiveness.

5. Financial implications

- 5.1 There are no financial implications directly arising from this report, but it should be noted that the implementation of some of the recommendations is likely to require direct expenditure (e.g. training).

6. Legal comments

- 6.1 There are no legal implications directly arising from this report, but it should be noted that this report supports the Audit Committee to meet CIPFA Guidance and best practice requirements.

Corporate implications

7. S151 Officer comments

- 7.1 The S151 Officer is fully supportive of the recommendations. There is budget to cover the implementation of the recommendations.

8. Monitoring Officer comments

- 8.1 The Monitoring Officer confirm that the relevant legal implications have been taken into account.

9. Procurement comments

- 9.1 There are no procurement implications directly arising from this report.

10. Equality and Diversity

- 10.1 There are no equality and diversity implications directly arising from this report.

11. Sustainability/Climate Change Implications

- 11.1 There are no sustainability and climate change implications directly arising from this report.

12. Other considerations

- 12.1 None.

13. Timetable for implementation

- 13.1 Please see Appendix B.

14. Contact

- 14.1 Terry Collier t.collier@spelthorne.gov.uk
Linda Heron l.heron@spelthorne.gov.uk

***Please submit any material questions to the Committee Chair and Officer
Contact by two days in advance of the meeting.***

Background papers:

CIPFA's Position Statement: Audit Committees in Local Authorities and Police
(2022)

Appendices:

Appendix A – Review of the effectiveness of the Audit Committee

Appendix B – Draft responses to recommendations in the Report

Appendix C – Revised terms of reference for Audit Committee