

	Audit and Standards Advisory Committee 23 July 2025
	Report from the Corporate Director of Finance and Resources
	Lead Member - Deputy Leader and Cabinet Member for Finance & Resources (Councillor Mili Patel)
Evaluating the Effectiveness of the Audit and Standards Advisory Committee	
Wards Affected:	All
Key or Non-Key Decision:	Not Applicable
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
List of Appendices:	None
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Darren Armstrong, Deputy Director Organisational Assurance and Resilience 020 8937 1751 Darren.Armstrong@Brent.gov.uk ;

1.0 Executive Summary

- 1.1. This report summarises the outcomes of the evaluation of the effectiveness of the Audit and Standards Advisory Committee for the municipal year 2024-25.

2.0 Recommendations

- 2.1 The Committee is asked to:
- a) review the outcomes of the self-assessment;
 - b) discuss and agree any performance/effectiveness related issues pertaining to its activity and effectiveness;
 - c) identify any additional training needs that should be prioritised in 2025-26.

3.0 Detail

3.1 Contribution to Borough Plan Priorities & Strategic Context

- 3.1.1 The Council's Audit and Standards Advisory Committee plays an important role in ensuring the good governance of the Council. The committee is a key component of the Council's governance framework and contributes to the overall success of the Council by providing an independent and high-level focus on the adequacy of governance, risk and control arrangements to provide assurance and confidence to those charged with governance.
- 3.1.2 The Committee is responsible for considering and advising the relevant council bodies on various governance matters relating to audit activity, the council's regulatory framework, and members' standards of conduct.

3.2 Background

- 3.2.1 CIPFA's Position Statement on Audit Committees in Local Authorities recommends that the Committee should report annually on how it has complied with the Statement, discharged its responsibilities, and include an assessment of its performance.
- 3.2.2 As part of their annual report the Chairs of both the Audit & Standards Advisory Committee and Audit & Standards Committee included an evaluation of how effective it's felt the Committees have been during the year, and to support this process both were keen to seek members' views on not only the operation of the Committee over the last year but also on opportunities for improvement moving forward.
- 3.2.3 To help guide this process and self-assessment, the Committee opted to use the Local Government Association's (LGA) '*Ten questions for audit committees*' questionnaire. This can be viewed via the following link:

<https://www.local.gov.uk/publications/ten-questions-audit-committees>
- 3.2.4 In order to structure the approach in obtaining feedback, Members of the Committee were asked to respond, share views, and return completed forms to Harry Ellis, Governance Officer. This feedback has been collated anonymously and was shared this with the Chair and Vice-Chair in May 2025.

3.3 Evaluating the Effectiveness of the Committee for 2024-25

- 3.3.1 Responses were received from 6 of the Audit and Standards Advisory Committee Members. General themes and matters arising from the ten questions have been summarised in the table below.

Question	General themes and matters arising from comments received.
1. How can we be a more effective Audit Committee?	<p>a) Timeliness and structure Papers should be published on time to allow for proper review and preparation. Late distribution hinders effectiveness.</p> <p>b) Chair's leadership The Chair is seen as highly effective, but there's concern about over-reliance and succession planning.</p> <p>c) Officer engagement There was a call for more interaction with officers beyond finance, especially where recurring issues arise.</p> <p>d) Agenda and meeting management Long, packed agendas and meetings that overrun reduce focus and energy. A more disciplined structure is needed.</p>
2. What are we missing as an audit committee?	<p>a) Broader departmental input The committee could expand insight received from departments outside of finance. A formal process for inviting wider officers could enhance scrutiny.</p> <p>b) Learning from others Benchmarking with other councils and committees could help identify blind spots and best practices.</p> <p>c) Strategic oversight Topics like devolution and annual reporting are underexplored and could add value.</p>
3. How do we get assurance for ourselves and others regarding governance, risk management, internal control, and the accuracy of financial reporting?	<p>a) Follow-up and accountability There's a need for stronger mechanisms to ensure audit recommendations are implemented and not delayed.</p> <p>b) Assurance mapping A more structured approach to mapping assurance sources could help identify gaps and overlaps.</p> <p>c) Deep dives These are seen as a valuable tool for exploring high-risk areas in more detail.</p>
4. What is management doing to ensure there is an effective culture that promotes compliance with good governance?	<p>a) Broader departmental input The reports received from Officers, including answers and responses to questions, are detailed and well structured. The committee could expand insight received from departments outside of finance to seek additional assurance in this area.</p>

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<p>5. How does management support and promote the role of audit (internal and external)?</p>	<p>a) Visible Support from Senior Officers There is strong support from the Section 151 Officer and good engagement from senior management, particularly in terms of attendance and responsiveness during meetings.</p> <p>b) Profile of Internal Audit There is a desire to see audit recommendations more clearly linked to positive organisational change and beyond just compliance.</p>
<p>6. How does management provide practical support to the audit committee in its work?</p>	<p>a) Strong Operational Support Respondents generally praised the quality and clarity of reports, the presence of senior officers, and the responsiveness to committee requests.</p> <p>b) Timeliness and structure Papers should be published on time to allow for proper review and preparation. Late distribution hinders effectiveness and more discipline is required.</p> <p>c) Training and Induction Training and induction are valued, but there was a suggestion that ongoing development and benchmarking with other committees could enhance effectiveness.</p>
<p>7. What is internal audit's role, scope, and mandate? How should it be resourced?</p>	<p>a) Clear Role and Responsibility Internal audit's role is well understood—ensuring policy compliance and identifying control weaknesses—but it has limited resources, which affects its ability to deliver timely and comprehensive coverage. The relationship between internal audit and the committee is generally seen as constructive and collaborative.</p> <p>b) Timeliness and Follow-Up There are concerns about delays in implementing recommendations, which can reduce the impact of audit findings.</p> <p>c) In-House vs External Provision One respondent favour externally commissioned internal audit to avoid conflicts of interest and improve independence.</p>
<p>8. How does internal audit set its audit plan?</p>	<p>a) Risk-Based Planning The audit plan is described as live and risk-based, with flexibility to adapt to emerging issues. This is broadly supported</p> <p>b) Follow-Up vs New Audits A significant portion of audit time is spent on follow-ups. Some respondents suggest adopting a more risk-based</p>

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	<p>follow-up model (e.g. self-declaration with sample testing) to free up capacity.</p> <p>c) Benchmarking There's a desire for more benchmarking with other councils</p>
9. How do we know we have an effective internal audit function?	<p>a) Limited Feedback from Management There's little structured feedback from service managers on internal audit's performance, beyond post-audit surveys.</p>
10. How should internal and external auditors work together?	<p>a) Limited Visible Collaboration While some coordination exists (e.g. external audit reviewing internal audit work), it's not always visible to the committee. Members want to see more structured collaboration, to include key risks such as financial sustainability, unclosed audit recommendations, and lack of clarity around Value for Money (VFM) assessments</p>

3.3.2 In summary, the survey outcomes have not identified any significant gaps or issues relating to the effectiveness of the Committee. However, a number of areas have been identified where improvements could be made to further enhance effectiveness. The Committee should use the summary provided above to discuss, determine and agree any specific actions to be taken forward.

4.0 Stakeholder and ward member consultation and engagement

4.1 None

5.0 Financial Considerations

5.1 There are no specific financial implications arising from this report.

6.0 Legal Considerations

6.1 The Accounts and Audit Regulations 2015 set out the Council's responsibility for ensuring that it has a sound system of internal control and that it keeps the effectiveness of this system under review. The evaluation of the committee will help ensure the effectiveness of the committee and its members as part of the council's system of internal control.

7.0 Equality, Diversity & Inclusion (EDI) Considerations

7.1 None

8.0 Climate Change and Environmental Considerations

8.1 None

9.0 Communication Considerations

10.1 None

Report sign off:

Minesh Patel

Corporate Director of Finance and Resources