

# **East Herts Council Report**

## **Audit and Governance Committee**

**Date of meeting: Tuesday 30 June 2026**

**Report by:** Councillor Martin Adams – Chair of Audit & Governance Committee

**Report title:** Audit and Governance Committee – Effectiveness Review 2026

**Ward(s) affected: (All Wards);**

**Summary** – This report provides an overview of the self-assessment exercise in relation to the Council’s Audit and Governance Committee. The assessment has been undertaken by the Chief Finance Officer, in line with guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA), which advocates regular self-assessment as good practice. The report is now presented to the Committee to consider, comment on, and amend as appropriate, enabling members to confirm the level of compliance, gain an appreciation of best practice, and identify any areas for further improvement.

### **RECOMMENDATIONS FOR AUDIT AND GOVERNANCE COMMITTEE:**

- a)** Note and comment on the proposed self-assessment and evaluation of good practice for Audit & Governance Committee in Local Authorities as set out in the appendix B; and
- b)** Confirm any actions required to ensure full compliance which will form the basis of future annual reports.

#### **1. Proposal(s)**

- 1.1. An Audit and Governance Committee has been in place at East Hertfordshire for many years and is at the cornerstone of providing scrutiny, challenge and demonstrating effective governance for its stakeholders. This report identifies the extent to which it has been in compliance against latest best practice. Actions to address any shortcomings are identified.

## **2. Background**

- 2.1. The Chartered Institute of Public Finance and Accountancy (CIPFA) published its Position Statement: Audit Committees in Local Authorities and Police (2022), which sets out CIPFA's view of best practice in relation to the purpose, role, functions and membership of audit committees. The statement represents the standards that local government bodies are expected to make their best efforts to adopt. The CIPFA Position Statement is attached at Appendix A for reference.
- 2.2. CIPFA states that the purpose of an audit committee is to provide those charged with governance with independent assurance on the adequacy of the authority's governance, risk management and internal control arrangements, together with oversight of the integrity of financial reporting and the annual governance process.
- 2.3. While the Section 151 Officer has the statutory responsibility for ensuring sound financial management, CIPFA emphasises that an effective audit committee plays a critical role in providing independent support and constructive challenge in relation to governance, risk and financial reporting.
- 2.4. CIPFA identifies that effective audit committees are typically characterised by:
  - Members who are objective, independent, knowledgeable and appropriately trained.
  - A collective commitment to high standards of governance.
  - Strong and independently minded chairing.
  - An unbiased and apolitical approach.
  - The confidence and ability to provide challenge when require.
- 2.5. The appendix B to this report sets out the findings of a self-assessment against CIPFA's core good practice principles. This assessment has been completed by the Chief Finance Officer and is presented to the Committee for review, comment and challenge.

## **3. Next Steps**

- 3.1. Members are asked to review the self-assessment set out in Appendix B. The assessment has been completed by the Chief Finance Officer and reflects his professional judgement and view of how the Audit & Governance Committee currently operates against the CIPFA position statement.
- 3.2. While this initial assessment provides a starting point, it is important that the Committee considers the responses, commentary and scoring in detail and amends them where necessary to ensure they accurately reflect members' own experience and understanding of how the Committee operates in practice.
- 3.3. Where Members agree with the scoring and commentary, no further action is required. However, where Members consider that an area is not yet fully compliant with the CIPFA position statement, the Committee is invited to identify:
  - whether it agrees that improvement is required; and
  - what actions would be necessary to achieve full compliance, including any changes to practice, training, reporting or terms of reference.
- 3.4. Subject to Members' views, the agreed actions will be drawn together into an action plan and monitored by the Committee to support continuous improvement and ongoing compliance with good practice.

## **4.0 Implications/Consultations**

### **Community Safety**

None

### **Data Protection**

None

### **Equalities**

None

### **Environmental Sustainability**

None

## **Financial**

None

## **Health and Safety**

No

## **Human Resources**

None

## **Human Rights**

None

## **Legal**

None

## **Specific Wards**

None

### **5.0 Background papers, appendices and other relevant material**

5.1 Appendix A – CIPFA Position Statement: Audit Committees, in Local Authorities and Police (2022 edition).

5.2 Appendix B – Audit Committee self-assessment of Effectiveness

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