

# North Lanarkshire Council Report

## Policy and Strategy Committee

Does this report require to be approved?  Yes  No

Ref AA/SL

Date 07/12/23

## Self-Evaluation of the Audit and Scrutiny Panel - outcome report and improvement plan

From Archie Aitken, Chief Officer (Legal and Democratic)

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### Executive Summary

As Elected Members are aware, the Audit and Scrutiny Panel is accountable to the Policy and Strategy Committee as the parent committee. To support these arrangements, copies of the minutes of Audit and Scrutiny Panel meetings are remitted to the Committee each cycle. In addition, in line with the Scheme of Administration, the Audit and Scrutiny Panel is required to:

- Report to the Policy and Strategy Committee on the Panel's findings, conclusions, and recommendations concerning:
  - The adequacy and effectiveness of the council's governance, risk management, and internal control frameworks.
  - Financial reporting arrangements.
  - Internal and external audit arrangements.
  - The performance of the council in delivering upon its priorities.
  - The adequacy and effectiveness of the council's performance and improvement arrangements.
- Report to the Policy and Strategy Committee on a regular basis on the Panel's performance in relation to its Terms of Reference and the effectiveness of the Panel in meeting its purpose.

One of the Audit and Scrutiny Panel's key roles relates to the council's governance arrangements which are subject to ongoing review through the Internal Audit programme of audit work. The external auditors also review the council's governance arrangements which support development of the Annual Governance Statement. An Internal Audit review in 2021 considered there was a risk that *"the council may not be able to adequately demonstrate that it has effective audit committee arrangements and/or arrangements to ensure Elected Members have the skills, knowledge and, where appropriate or required, access to relevant training and resources to effectively undertake their role"*. To this end, Internal Audit recommended that the Audit and Scrutiny Panel should, in line with good practice, periodically undertake a self-evaluation of how effectively it is discharging its role.

A self-evaluation exercise was subsequently carried out in September 2023 and, following its conclusion, a detailed outcome report and improvement plan was approved by the Audit and Scrutiny Panel at its meeting on 20<sup>th</sup> November 2023. Subsequently, in line with the accountability arrangements set out in the Scheme of Administration and the Internal Audit recommendations, the outcome of this self-evaluation is provided to the Policy and Strategy Committee in this high-level summary report.

## Recommendations

It is recommended that the Policy and Strategy Committee:

- (1) Are aware of the outcome following the self-evaluation of the Audit and Scrutiny Panel which demonstrates the extent to which the Panel is effective in discharging its Audit, Scrutiny, and Corporate Governance roles and, as such, fulfils the Internal Audit recommendations, and
- (2) Agree that the Audit and Scrutiny Panel provide the Policy and Strategy Committee with an annual update advising on the implementation of the actions in the Improvement Plan, and
- (3) Remit to the next Council meeting in December 2023 for approval the removal of substitute attendance at the Audit and Scrutiny Panel (as per improvement action 2.4 in Appendix 2).

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## The Plan for North Lanarkshire

Priority	All priorities
Ambition statement	All ambition statements
Programme of Work	Statutory / corporate / service requirement

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### 1. Background

- 1.1 As the parent committee to the Audit and Scrutiny Panel, Policy and Strategy Committee are aware of the important role that the Panel plays in relation to the council's governance framework - through the discrete functions of both audit and scrutiny - by providing an independent and high-level resource to support good governance and strong public financial management. The Panel's role and responsibilities in respect of the audit function reflect the standards set out in the Chartered Institute of Public Finance and Accountancy (CIPFA) Position Statement: Audit Committees in Local Authorities (2018). This role, and the wider Terms of Reference for the Panel which includes the scrutiny function, is set out in the Scheme of Administration (approved at the Council meeting in October 2022).
- 1.2 The council's governance arrangements are reviewed on an annual basis through the Strategic Governance Framework which is a key item of evidence that informs the development of the Annual Governance Statement. This also forms part of the external auditor's annual work programme, and throughout the year various aspects of corporate governance are also subject to review through the Internal Audit programme of audit work. These processes support the council in demonstrating compliance with, and a commitment to, the good governance principles as set out in the national Delivering Good Governance in Local Government: Framework (2016).
- 1.3 A review of Principles E, F, and G from the Delivering Good Governance in Local Government: Framework (2016) was undertaken by Internal Audit in 2021. This focused on the aspect of corporate governance that relates to the following:
  - Principle E - Developing the entity's capacity, including the capability of its leadership and the individuals within it.
  - Principle F - Managing risks and performance through robust internal control and strong public financial management.
  - Principle G - Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

- 1.4 In relation to the effectiveness of the Audit and Scrutiny Panel, the Internal Audit report (submitted to the Panel in March 2021) considered there was a risk that *“the council may not be able to adequately demonstrate that it has effective audit committee arrangements and/or arrangements to ensure Elected Members have the skills, knowledge and, where appropriate or required, access to relevant training and resources to effectively undertake their role”*. In this respect, Internal Audit recommended that the Audit and Scrutiny Panel should, in line with good practice, periodically undertake a self-evaluation of how effectively it is discharging its role by introducing:
- a) *“A formal process whereby the Audit and Scrutiny Panel periodically undertakes a self-assessment of their performance and activities against CIPFAs Audit Committees: Practical Guidance for Local Authorities (2018), with a report outlining the results of this review including any improvement actions being presented to the Panel and reported to the Policy and Strategy Committee.”*
  - b) *“A formal process whereby the Audit and Scrutiny Panel periodically undertakes a separate self-assessment of the effectiveness of the performance and activities of the Panel in discharging the Scrutiny aspect of its role.”*
- 1.5 To implement the Internal Audit recommendations, a self-evaluation exercise was incorporated into the review programme for the council’s Strategic Self-Evaluation Framework. The evaluation framework, process, and timetable for the self-evaluation of the Audit and Scrutiny Panel were subsequently developed in line with the Strategic Self-Evaluation Framework and customised in order to best meet the needs, operating environment, and desired outcomes of the function being evaluated. As part of this process, the Chief Officer (Legal and Democratic) was assigned the role of independent Champion for the exercise.
- 1.6 While there are two specific Internal Audit recommendations noted in paragraph 1.4 above, the self-evaluation exercise was combined into one to avoid duplicating the use of both Elected Members’ time and officer resources, and to enable the Audit and Scrutiny Panel to be considered as a single entity. This thereby ensures that any improvement actions identified complement the effective operation of both the Audit and Scrutiny aspects of the Panel and not just one at the expense of the other.
- 1.7 An overview of the evaluation framework, process, and timetable for the self-evaluation was provided to the Panel in September 2023 and Members endorsed the approach set out. Given the membership of the Audit and Scrutiny Panel had changed following the Local Government elections in May 2022, implementation of the Internal Audit recommendations had been rescheduled to allow time for the new arrangements to become more fully embedded. Considering this, and the more recent changes which had been made to the Panel’s membership, it was subsequently agreed at the meeting in September 2023 that both current and former members of the Panel (since May 2022) would take part in the self-evaluation.
- 1.8 The self-evaluation comprised an online survey (open from 5<sup>th</sup> to 19<sup>th</sup> September 2023, with 1:1 support available if requested) and the ensuing outcome report and improvement plan was thereafter approved by the Audit and Scrutiny Panel at its meeting on 20<sup>th</sup> November 2023.
- 1.9 To conclude the self-evaluation exercise and fulfil the Internal Audit recommendations, this report herewith provides the Policy and Strategy Committee (as the parent committee to the Audit and Scrutiny Panel) with an overview of the outcome as well as the improvement plan. This report is from the Chief Officer (Legal and Democratic) in

his role as Champion for the self-evaluation.

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## 2. Self-Evaluation

2.1 Undertaken in line with the corporate approach set out in the Strategic Self-Evaluation Framework, the self-evaluation of the Audit and Scrutiny Panel aimed to answer three simple questions - *How well are we doing?* *How do we know?* (i.e. What evidence is there to support the view of how well we are doing?), and *How can we do better?* (i.e. What are we going to do now?).

2.2 To answer these questions, the approach to the self-evaluation exercise comprised the following:

- An assessment framework - which for the Audit function was based on the key principles set out in CIPFAs Position Statement: Audit Committees in Local Authorities (2018) and the supporting Audit Committees Practical Guidance for Local Authorities (2018) document. For the Scrutiny function relevant assessment statements were incorporated into the evaluation framework from the Best Value Statutory Guidance (2020).
- An assessment process and timescales - which involved an initial desktop exercise to identify existing evidence against the respective CIPFA and Best Value guidance (referred to above), an online survey process, and development of the outcome report and improvement plan.
- An evidence source - which was the respondents to an online survey which comprised the 11 Elected Members who currently sit on the Audit and Scrutiny Panel, plus 8 who had formerly been members of the Panel (since May 2022).
- 25 good practice questions - for which respondents were asked to provide constructive feedback in line with their experience of being a member of the Audit and Scrutiny Panel by answering *Yes*, *No*, *Partially*, or *Don't Know* to each of the questions. A *No* or *Partially* response in some questions prompted a further question that asked for more details to help understand any further improvements required in this respect. The 25 good practice questions are listed in Appendix 1 for information.
- An opportunity for respondents to highlight where they considered that the Panel works well, or to identify anything that they considered could be improved in relation to the Audit and Scrutiny Panel (in line with the Panel's approved terms of reference).

### ***How well are we doing?***

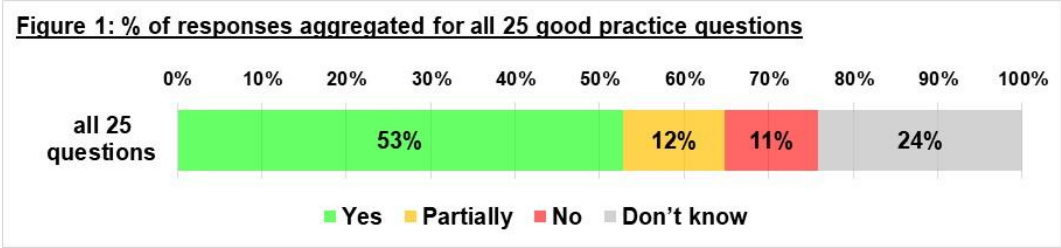
2.3 A RAG status was applied to each of the 25 good practice questions based on how respondents answered each question, this is set out in *Table 1* below.

Description	RAG status applied
Respondents replied with a <i>Yes</i> to the question in the online survey = this is an area of good practice.	<b>Green</b>
Respondents replied with a <i>Partially</i> to the question in the online survey = this is an area that requires further investigation.	<b>Amber</b>
Respondents replied with a <i>No</i> to the question in the online survey = this is an area that requires further investigation.	<b>Red</b>
Respondents replied with a <i>Don't Know</i> to the question in the online survey = this is an area that requires further investigation.	<b>Grey</b>

Table 1: Description of survey responses and RAG status applied

2.4 The online survey received a 58% response rate, with 11 out of 19 participants answering the 25 good practice questions. The aggregated RAG status for the 25 good practice questions combined is set out in Figure 1 below. A high level summary of the results shows that:

- Notwithstanding the response rate, the results still show a relatively positive response across all 25 questions, with **53%** of responses having a *Yes* response.
- There is a much smaller proportion of negative responses in terms of *Partially* (**12%**) and *No* (**11%**).
- Of particular note, however, is the proportion of *Don't Knows* (**24%**) which exceed the responses for *Partially* and *No* combined. It is however recognised that the proportion of *Don't Knows* will have been influenced by the length of time respondents have been a member of the Audit and Scrutiny Panel.



2.5 The detailed results to the online survey, which show the % of types of responses to each of the 25 good practice questions, is reflected in Figure 2 in Appendix 1. Where the results of the self-evaluation show a high degree of performance against the good practice questions, CIPFA consider this to be an indicator that the Audit and Scrutiny Panel is soundly based and has in place a knowledgeable membership. As well as informing an improvement plan for the Panel, the self-evaluation exercise is also considered an important improvement tool in terms of supporting future planning for the Panel's work programme, training plan, and annual report.

2.6 As can be seen from Figure 2 in Appendix 1, the good practice questions where it was considered that the Panel worked well (i.e. which received the highest Yes responses) are listed in Table 2 below. These results were substantiated by feedback from respondents in terms of where they considered the Panel works well.

Theme	Good practice question	% responses = Yes
Membership and Support	Q15. Does the Panel have good working relations with key people and organisations, including external audit, internal audit, and the chief financial officer?	100%
Membership and Support	Q16. Is the secretariat and administrative support provided to the Panel adequate?	91%
Functions of the Panel	Q5. Has the Panel maintained its remit as set out in the Terms of Reference in the approved Scheme of Administration?	73%
Effectiveness of the Panel	Q19. Does the Panel engage with a wide range of leaders and managers, including discussion of audit findings, risks, and action plans with the responsible officers?	73%
Functions of the Panel	Q4. Are Members of the Panel committed to training and personal development to update and enhance their knowledge, skills, capacity, and capabilities (where appropriate or required) to deliver Best Value and perform their role on the Panel?	70%

Table 2: Areas of good practice (i.e. Yes responses)

**How can we do better?**

2.7 Conversely the good practice questions which were considered to require further investigation, and which received the highest combined responses for *Partially*, *No*, and *Don't Know*, are listed in Table 3 below.

Theme	Good practice question
Q22.	82% of respondents considered that the Panel had either <i>Partially</i> or had <i>Not</i> evaluated whether and how it is adding value to the organisation, or they <i>Didn't Know</i> if this was the case.
Q12.	73% of respondents considered that members of the Panel either <i>Partially</i> or did <i>Not</i> have appropriate knowledge and skills, or they <i>Didn't Know</i> if this was the case.
Q8.	73% of respondents considered that the Audit and Scrutiny Panel had <i>Not</i> considered the wider areas identified in CIPFAs Position Statement: Audit Committees in Local Authorities (2018) and whether it would be appropriate for the Panel to undertake them, or they <i>Didn't Know</i> if this was the case.
Q14.	73% of respondents considered that either <i>Partially</i> there were (or there were <i>Not</i> ) arrangements in place to support the Panel with briefings and training, or they <i>Didn't Know</i> if this was the case.
Q21.	73% of respondents considered that the Panel had either <i>Partially</i> or had <i>Not</i> obtained feedback on its performance from those interacting with the Panel or relying on its work, or they <i>Didn't Know</i> if this was the case.
Q1.	54% of respondents considered that the role and purpose of the Audit and Scrutiny Panel was either <i>Partially</i> or <i>Not</i> understood and accepted across the council.
Q3.	54% of respondents considered that <i>Partially</i> there were arrangements in place to hold the Panel to account for its performance operating satisfactorily, or they <i>Didn't Know</i> if this was the case.

Table 3: Areas requiring further investigation (i.e. *Partially*, *No*, and *Don't Know* responses combined)

2.8 As noted in paragraph 2.4, overall there are a higher proportion of *Don't Know* responses (24%) than *Partially* (12%) and *No* (11%) combined. While it is recognised that the proportion of *Don't Knows* will have been influenced by the length of time respondents have been a member of the Audit and Scrutiny Panel, this further supported the areas requiring further investigation. The good practice questions which received the highest *Don't Know* responses are listed in Table 4 below.

\* Note, for some questions the responses have been aggregated to clearly differentiate between (a) areas of good practice (i.e. Yes responses) and (b) areas requiring further investigation (i.e. *Partially*, *No*, and *Don't Know* responses combined). This has been applied in questions where the responses showed a significant differentiation one way or the other in order to further support a clear identification of areas for improvement.

Theme	Good practice question	% responses = <i>Don't Know</i>
Functions of the Panel	Q8. Has the Audit and Scrutiny Panel considered the wider areas identified in CIPFAs Position Statement: Audit Committees in Local Authorities (2018) and whether it would	64%

	be appropriate for the Panel to undertake them? * (a) 27% compared to (b) 73%	
Functions of the Panel	Q6. Is an evaluation undertaken to assess whether the Panel is fulfilling its terms of reference and that adequate consideration has been given to all core areas in the terms of reference?	46%
Functions of the Panel	Q7. Where coverage of core areas in the terms of reference has been found to be limited, are plans in place to address this?	46%
Membership and Support	Q14. Are arrangements in place to support the Panel with briefings and training? * (a) 27% compared to (b) 73%	36%
Effectiveness of the Panel	Q21. Has the Panel obtained feedback on its performance from those interacting with the Panel or relying on its work? * (a) 27% compared to (b) 73%	46%
Effectiveness of the Panel	Q22. Has the Panel evaluated whether and how it is adding value to the organisation? * (a) 18% compared to (b) 82%	46%
Effectiveness of the Panel	Q23 Does the Panel have an action plan to improve any areas of weakness.	46%
Effectiveness of the Panel	Q24. Does the Panel publish an annual report to account for its performance and explain its work?	46%

Table 4: Areas requiring further investigation (i.e. *Don't Know* responses)

### Improvement plan

- 2.9 The areas requiring investigation shown in Tables 3 and 4 above were further substantiated by the qualitative feedback provided in terms of where respondents considered that things could be improved (in line with the Panel's approved terms of reference). When the detailed results from the online survey were analysed alongside the qualitative feedback a number of common areas requiring improvement were consistent in coming to the fore. The specific detail accompanying this analysis was set out in a synopsis that was incorporated into the report which was approved by the Audit and Scrutiny Panel in November 2023.
- 2.10 The analysis presented clear areas for improvement for which improvement actions were subsequently identified and developed into an Improvement Plan which is attached at Appendix 2 for the accountability purposes of the Policy and Strategy Committee.

### Next steps

- 2.11 The improvement actions will be implemented by the respective Chief Officer in line with the timescales set out in the Improvement Plan in Appendix 2. An annual update to the Policy and Strategy Committee will report on the progress made in this respect.

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### 3. Measures of success

- 3.1 Measures of success will be identified in the form of evidence which demonstrates that the council has effective Audit and Scrutiny Panel arrangements. Specifically, that the:

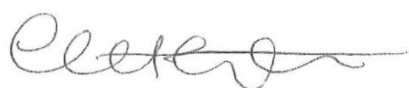
- Panel effectively discharges its duty in line with the council's Scheme of Administration.
- Performance and activities of the Panel are effective in discharging the Audit aspect of its role in line with CIPFAs Audit Committees Practical Guidance for Local Authorities (2018).
- Performance and activities of the Panel are effective in discharging the Scrutiny aspect of its role in line with ensuring the council can demonstrate Best Value through the existence of robust arrangements for performance reporting and scrutiny.

3.2 Further measures of success will reflect the skills and knowledge of the Elected Members on the Audit and Scrutiny Panel, and their commitment to ensuring they have (where appropriate or required) access to relevant training and resources to enhance their knowledge, skills, capacity, and capabilities in order to effectively undertake their role on the Panel.

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#### 4. Supporting documentation

- 4.1 Appendix 1: 25 good practice questions.  
Appendix 2: Improvement Plan.



**Archie Aitken**  
**Chief Officer (Legal and Democratic)**

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#### 5. Impacts

<p><b>5.1 Public Sector Equality Duty and Fairer Scotland Duty</b></p> <p>Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p> <p>If Yes, has an assessment been carried out and published on the council's website? <a href="https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments">https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments</a></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p><b>5.2 Financial impact</b></p> <p>Does the report contain any financial impacts?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, have all relevant financial impacts been discussed and agreed with Finance?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
<p><b>5.3 HR policy impact</b></p> <p>Does the report contain any HR policy or procedure impacts?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, have all relevant HR impacts been discussed and agreed with People Resources?</p>



Yes  No   
If Yes, please provide a brief summary of the impact?

**5.4 Legal impact**

Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)?

Yes  No

If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic?

Yes  No

If Yes, please provide a brief summary of the impact?

**5.5 Data protection impact**

Does the report / project / practice contain or involve the processing of personal data?

Yes  No

If Yes, is the processing of this personal data likely to result in a high risk to the data subject?

Yes  No

If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to [dataprotection@northlan.gov.uk](mailto:dataprotection@northlan.gov.uk)

Yes  No

**5.6 Technology / Digital impact**

Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?

Yes  No

If Yes, please provide a brief summary of the impact?

Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?

Yes  No

**5.7 Environmental / Carbon impact**

Does the report / project / practice contain information that has an impact on any environmental or carbon matters?

Yes  No

If Yes, please provide a brief summary of the impact?

**5.8 Communications impact**

Does the report contain any information that has an impact on the council's communications activities?

Yes  No

If Yes, please provide a brief summary of the impact?

**5.9 Risk impact**

Is there a risk impact?

Yes  No

If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?

Implementation of a self-evaluation of the Audit and Scrutiny Panel contributes to the mitigation of the risk on the Corporate Risk Register for *governance*,

*leadership, and decision making.*

**5.10 Armed Forces Covenant Duty**

Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?

Yes  No

If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.

**5.11 Children's rights and wellbeing impact**

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes  No

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

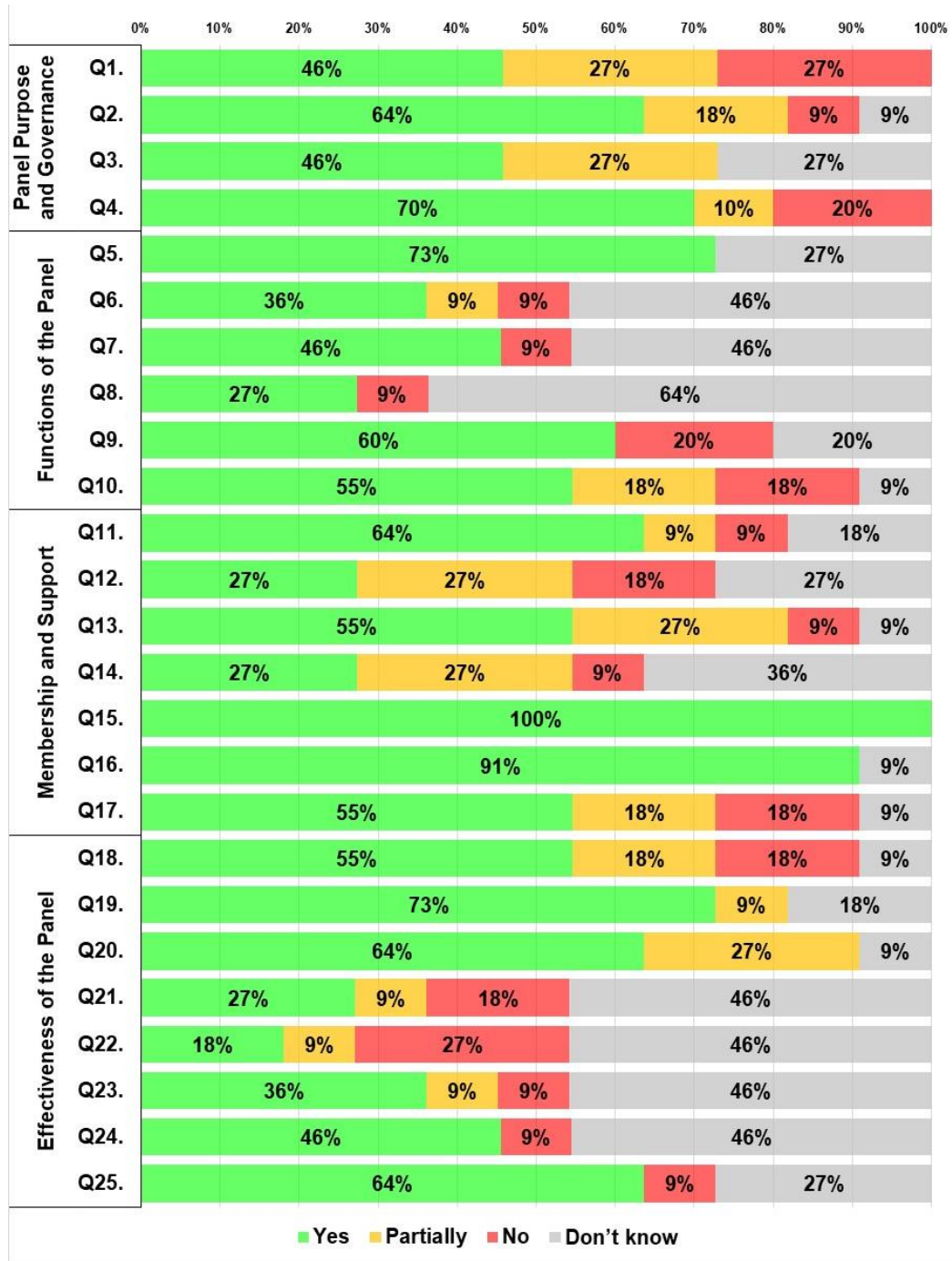
If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes  No

**Appendix 1**

Results of online survey showing % of types of responses to each of the 25 good practice questions

**Figure 2: % of types of responses**



Theme	Question
Panel Purpose and Governance	Q1. Is the role and purpose of the Audit and Scrutiny Panel understood and accepted across the council?
	Q2. Does the Panel provide support to the council in meeting the requirements of good governance?

Theme	Question	
	Q3.	Are the arrangements to hold the Panel to account for its performance operating satisfactorily?
	Q4.	Are Members of the Panel committed to training and personal development to update and enhance their knowledge, skills, capacity, and capabilities (where appropriate or required) to deliver Best Value and perform their role on the Panel?
Functions of the Panel	Q5.	Has the Panel maintained its remit as set out in the Terms of Reference in the approved Scheme of Administration?
	Q6.	Is an evaluation undertaken to assess whether the Panel is fulfilling its terms of reference and that adequate consideration has been given to all core areas in the terms of reference?
	Q7.	Where coverage of core areas in the terms of reference has been found to be limited, are plans in place to address this?
	Q8.	Has the Audit and Scrutiny Panel considered the wider areas identified in CIPFAs Position Statement: Audit Committees in Local Authorities (2018) and whether it would be appropriate for the Panel to undertake them?
	Q9.	Is the Panel's role clear in relation to ensuring the council can demonstrate Best Value through the existence of robust arrangements for performance reporting and scrutiny?
	Q10.	Do the scrutiny structures in the council support Members in reviewing and challenging performance?
Membership and Support	Q11.	Does the Convener of the Panel have appropriate knowledge and skills?
	Q12.	Do Members of the Panel have appropriate knowledge and skills?
	Q13.	Do Members of the Panel receive sufficient support to perform their role on the Panel?
	Q14.	Are arrangements in place to support the Panel with briefings and training?
	Q15.	Does the Panel have good working relations with key people and organisations, including external audit, internal audit, and the chief financial officer?
	Q16.	Is the secretariat and administrative support provided to the Panel adequate?
	Q17.	Does the Panel have access to clear, timely, and sufficiently detailed information that allows them to carry out their governance and scrutiny role?
Effectiveness of the Panel	Q18.	Are meetings effective with a good level of discussion and engagement from all Panel members?
	Q19.	Does the Panel engage with a wide range of leaders and managers, including discussion of audit findings, risks, and action plans with the responsible officers?
	Q20.	Does the Panel make recommendations for the improvement of governance, risk, control, and performance and are these acted on?
	Q21.	Has the Panel obtained feedback on its performance from those interacting with the Panel or relying on its work?
	Q22.	Has the Panel evaluated whether and how it is adding value to the organisation?
	Q23.	Does the Panel have an action plan to improve any areas of weakness?
	Q24.	Does the Panel publish an annual report to account for its performance and explain its work?
	Q25.	Is the Panel assured that its scrutiny of council performance adds value to the scrutiny activity which already takes place at Service Committee level and does not duplicate efforts?

## Appendix 2

### Self-evaluation of the Audit and Scrutiny Panel: Improvement Plan.

Improvement actions	Lead	Target date	Measures of success	Outcomes
<b>(1) Formally establish a regular face to face learning and development programme for the Audit and Scrutiny Panel to ensure members of the Panel have the appropriate skills and knowledge and (where required) access to relevant training and resources to effectively undertake their role.</b>				
<b>1.1</b> Develop and deliver a training programme that includes all relevant aspects of Audit and Risk, and covers the role of Audit in line with the key principles set out in CIPFAs Position Statement: Audit Committees in Local Authorities (2018) and the supporting Audit Committees Practical Guidance for Local Authorities (2018) document.	Chief Officer (Audit and Risk)	By the end of 2023/24.	All members of the Audit and Scrutiny Panel attend the annual session.	Members of the Audit and Scrutiny Panel are informed and able to fulfil their roles and responsibilities in line with the terms of reference as set out in the Scheme of Administration.  The purpose of the Audit and Scrutiny Panel is clear as well as the role of members and the expectations of them.  All members of the Audit and Scrutiny Panel have a good and consistent level of awareness and understanding of the purpose of the Audit and Scrutiny Panel, its role in relation to the council's governance arrangements - including the approach and assessment and prioritisation process for scrutiny led by Panel members - and there is an appreciation of the role they have to play in scrutinising all information presented to the Panel.
<b>1.2</b> Develop and deliver a training programme that includes all relevant aspects of Scrutiny and covers (a) the role of Scrutiny in terms of ensuring the council can demonstrate Best Value through the existence of robust arrangements for performance reporting and scrutiny, and (b) the approach to scrutiny led by members of the Panel and the supporting assessment and prioritisation process.	Chief Officer (Business and Digital)	By the end of 2023/24.	All members of the Audit and Scrutiny Panel attend the annual session.	Areas for improvement arising from the self-evaluation exercise will be addressed, in particular the following:  Q12. 73% of respondents considered that members of the Panel either <i>Partially</i> or did <i>Not</i> have appropriate knowledge and skills, or they <i>Didn't Know</i> if this was the case.
<b>1.3</b> As part of the programme for the sessions at 1.1 and 1.2 above, further discussions to be held with members of the Audit and Scrutiny Panel to identify potential areas for briefings and further training requirements.	Chief Officer (Audit and Risk) / Chief Officer (Business and Digital)	By the end of 2023/24.	All members of the Audit and Scrutiny Panel attend the annual sessions for (i) Audit and Risk and (ii) Scrutiny to participate in the discussions.	Q8. 73% of respondents considered that the Audit and Scrutiny Panel had <i>Not</i> considered the wider areas identified in CIPFAs Position Statement: Audit Committees in Local Authorities (2018) and whether it would be appropriate for the Panel to undertake them, or they <i>Didn't Know</i> if this was the case.
<b>1.4</b> Develop an online e-learning module for LearnNL to provide a means to raise awareness of the work of the Audit and Scrutiny Panel for new members prior to undergoing the face-to-face training on an annual basis. This would also serve as a refresher and information resource	Chief Officer (Audit and Risk) / Chief Officer (Business and Digital) / Leader and Talent Development Manager	Module developed by the end of 2023/24.  Completed annually thereafter from 2024/25 onwards.	All members of the Audit and Scrutiny Panel complete the e-learning module on LearnNL on an annual basis.	Q14. 73% of respondents considered that either <i>Partially</i> there were (or there were <i>Not</i> ) arrangements in place to support the Panel with briefings and training, or they <i>Didn't Know</i> if this was the case.

Improvement actions	Lead	Target date	Measures of success	Outcomes
which members of the Panel would be able to dip in and out of as required.				
<b>(2) Ensure the Audit and Scrutiny Panel continues to effectively discharge its duties and can demonstrate that it adds value to the organisation.</b>				
<b>2.1</b> Produce an annual report that summarises all Audit and Risk elements considered by the Audit and Scrutiny Panel during the year and highlights the impact of the work of the Panel.	Chief Officer (Audit and Risk)	Annual report for 2023/24 to be submitted in cycle 4 of 2024.	Annual report to committee.	Annual reports will raise awareness of the work of Audit and Scrutiny Panel across the organisation. Areas for improvement arising from the self-evaluation exercise will be addressed, in particular the following:
<b>2.2</b> Produce an annual report that summarises all Scrutiny elements considered by the Audit and Scrutiny Panel during the year and highlights the impact of the work of the Panel.	Chief Officer (Business and Digital)	Annual report for 2023/24 to be submitted in cycle 2 of 2024.	Annual report to committee.	Q22. 82% of respondents considered that the Panel had either <i>Partially</i> or had <i>Not</i> evaluated whether and how it is adding value to the organisation, or they <i>Didn't Know</i> if this was the case. Q21. 73% of respondents considered that the Panel had either <i>Partially</i> or had <i>Not</i> obtained feedback on its performance from those interacting with the Panel or relying on its work, or they <i>Didn't Know</i> if this was the case. Q1. 54% of respondents considered that the role and purpose of the Audit and Scrutiny Panel was either <i>Partially</i> or <i>Not</i> understood and accepted across the council.
<b>2.3</b> Continue to evaluate the effectiveness of the Panel in discharging its duties - initially through an annual check in and self-evaluation in line with the principles set out in CIPFAs Position Statement: Audit Committees in Local Authorities (2018), the supporting Audit Committees Practical Guidance for Local Authorities (2018) document, and the Best Value Guidance (2020). The frequency of follow up self-evaluations will be determined by the extent of improvements required following the 2024 self-evaluation exercise.	Chief Officer (Legal and Democratic)	September 2024.	All members of the Audit and Scrutiny Panel engage in the evaluation process. Outcome report and improvement plan from self-evaluation concluded and submitted to the Panel for approval and implementation.	An ongoing evaluation will ensure the Audit and Scrutiny Panel remains effective in providing <i>"independent assurance to the council and those charged with governance on the adequacy of the council's risk management framework and internal control environment"</i> . Areas for improvement arising from the self-evaluation exercise will be addressed, in particular the following: Q3. 54% of respondents considered that <i>Partially</i> there were arrangements in place to hold the Panel to account for its performance operating satisfactorily, or they <i>Didn't Know</i> if this was the case.
<b>2.4</b> Continue to seek to improve the effectiveness of the Panel by asking Council to amend current governance	Chief Officer (Audit and Risk) / Chief	By the end of 2023/24.	Members attending Panel meetings have appropriate training,	

Improvement actions	Lead	Target date	Measures of success	Outcomes
<p>arrangements and remove the scope for substitute members to attend Audit and Scrutiny Panel meetings given the importance of Panel members having appropriate training, knowledge, and understanding and recognising the role that consistency in involvement has in terms of ensuring ongoing Panel effectiveness.</p>	<p>Officer (Legal and Democratic)</p>		<p>knowledge, and understanding of the work of the Panel and this is enhanced over time through ongoing and consistent involvement in the Panel's business.</p>	