

Audit committee purpose and governance	Yes/Partly /No	Comments
Does the integration authority have a dedicated audit committee?	Yes	The IJB Audit Committee has been constituted with a Terms of Reference and has periodic meetings during the year in line with the Audit Cycle.
Does the audit committee report directly to full Board?	Yes	IJB full Board approves Minutes of each IJB Audit Committee meeting.
Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's Position Statement	Yes	Review has been completed by IJB Chief Internal Auditor against CIPFA 'audit committees' Practical Guidance for Local Authorities and Police 2018 (deemed applicable to integration authorities' audit committees).
Is the role and purpose of the audit committee understood and accepted across the integration authority?	Yes	IJB Audit Committee has been constituted with a Terms of Reference and has periodic meetings during the year in line with the Audit Cycle which are regularly attended by the IJB's Chief Officer, Chief Finance Officer, Chief Internal Auditor and External Auditor.
Does the audit committee provide support to the integration authority in meeting the requirements of good governance?	Yes	The IJB Audit Committee is a key part of the IJB's governance framework as outlined in the IJB Local Code of Corporate Governance (approved 17 September 2018). The role of the IJB Audit Committee is to have high-level oversight of the IJB's internal control, governance and risk management and its remit includes promotion of the highest standards of conduct and professional behaviour.
Are the arrangements to hold the committee to account for its performance operating satisfactorily?	Yes	The IJB Audit Committee reviewed its terms of reference as part of the 2019/20 self-assessment of performance against best practice checklists on 9 March 2020. An Annual Report is presented to the IJB setting out the activities to enable stakeholders to understand how the IJB Audit Committee has discharged its duties and to identify areas of improvement to fulfil its remit.

Functions of the committee	Yes/Partly /No	Comments
Do the committee’s terms of reference explicitly address all the core areas identified in CIPFA’s Position Statement?		
• good governance	Yes	Included in function no. 1
• assurance framework, including partnerships and collaboration arrangements	Yes	Included in all aspects of functions
• internal audit	Yes	Included in function no. 3
• external audit	Yes	Included in function no. 4
• financial reporting	Yes	Included in function no. 5
• risk management	Yes	Included in function no. 2
• Value for money or best value	Yes	Included in function no. 7. Reliance is placed on partners’ arrangements as part of their operational service delivery.
• Counter-fraud or corruption	Yes	Implicit in functions nos. 1 & 8. Reliance is placed on partners’ arrangements as part of their operational service delivery.
• Supporting the ethical framework	Yes	Included in function no. 6

Functions of the committee (cont'd)	Yes/Partly /No	Comments
Is an annual evaluation undertaken to assess whether the committee is fulfilling its terms of reference and that adequate consideration has been given to all core areas?	Yes	The IJB Audit Committee reviewed how it has fulfilled its terms of reference during the 2019/20 self-assessment of performance against best practice checklists on 9 March 2020, and there is evidence of improvement during the year. The Assurance Framework and the Audit Cycle that define the programme of work for the IJB Audit Committee are included in the Induction training pack along with Essential Questions for the Committee members to ask those charged with governance when considering the relevant reports as part of the Audit Cycle (under the three topics of Internal Control, Risk Management, and Governance).
Has the audit committee considered the wider areas identified in CIPFA's Position Statement and whether it would be appropriate for the committee to undertake them?	Yes	Review has been completed by IJB Chief Internal Auditor against CIPFA 'audit committees' Practical Guidance for Local Authorities and Police 2018 (deemed relevant to integration authorities' audit committees). In the context of health and social care integration reliance is placed on partners' audit committees fulfilling their functions. Chairs of IJB, NHS Borders and SBC Audit Committees have met during the year to share practice.
Where coverage of core areas has been found to be limited, are plans in place to address this?	Yes	Coverage of core areas is adequate.
Has the committee maintained its non-advisory role by not taking on any decision-making powers that are not in line with its core purpose?	Yes	The 2019/20 self-assessment has confirmed that the IJB Audit Committee adhered to its terms of reference during the year.

Membership and support	Yes/Partly /No	Comments
<p>Has an effective audit committee structure and composition of the committee been selected?</p> <p>This should include:</p> <ul style="list-style-type: none"> • separation from the executive • an appropriate mix of knowledge and skills among the membership • a size of committee that is not unwieldy • consideration has been given to the inclusion of at least one independent member 	Yes	<p>1st bullet point – The scrutiny arrangements in place, which are based on legislative requirements, do not meet with generally accepted principles of good practice (refer below).</p> <p>2nd 3rd and 4th bullet points – The IJB appoints the Committee membership which consists of at least four voting members of the IJB, excluding professional advisors, and an independent member appointed from an external source.</p>
<p>Have independent members appointed to the committee been recruited in an open and transparent way and approved by the IJB?</p>	Yes	<p>To replace the previous independent member who stood down in October 2019, a new independent member was appointed by the full IJB Board in February 2020.</p>
<p>Does the chair of the committee have appropriate knowledge and skills?</p>	Yes	<p>Pre-meetings between the Chair of the IJB Audit Committee and IJB Chief Internal Auditor were held prior to each Committee meeting. Chairs of IJB, SBC and NHS Borders' Audit Committees met during the year to share practice and information.</p>
<p>Are there arrangements in place to support the committee with briefings and training?</p>	Yes	<p>The Induction Programme includes: Outline of Corporate Governance; role of the IJB Audit Committee; role of Internal and External Audit; Assurance Framework; and Audit Cycle. Informal Sessions before or after each IJB Audit Committee meeting are used for the purpose of briefing and training.</p>
<p>Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory?</p>	No	<p>The improvement identified in the 2018/19 self-assessment will be carried forward: IJB Audit Committee Members will utilise the Knowledge and Skills Framework to inform their learning and development needs.</p>
<p>Does the committee have good working relations with key people and organisations, including external audit, internal audit and the chief financial officer?</p>	Yes	<p>Members, in particular the Chair of the IJB Audit Committee, utilise opportunities to meet with or email, as required, the key people involved in the IJB's governance for advice and support e.g. Chief Officer, Chief Finance Officer, Chief Internal Auditor, External Auditor and Secretary.</p>
<p>Is adequate secretariat and administrative support to the committee provided?</p>	Yes	<p>A Secretary is assigned to the IJB Audit Committee.</p>

Effectiveness of the committee	Yes/Partly /No	Comments
Has the committee obtained feedback on its performance from those interacting with the committee or relying on its work?	Yes	The IJB Audit Committee obtained feedback on its performance from the external auditors and has enacted improvements by way of considering a wider range of reports and information at its meetings.
Are meetings effective with a good level of discussion and engagement from all members?	Yes	Recorded in Minutes.
Does the committee engage with a wide range of leaders and managers, including discussion of audit findings, risks and action plans with the responsible officers?	Yes	Members utilise opportunities to meet with or email, as required, the key people responsible for the IJB's governance and improvement e.g. Chief Officer, Chief Finance Officer.
Does the committee make recommendations for the improvement of governance, risk and control and are these acted on?	Yes	Recommendations are made to the full IJB Board through their approval of Minutes of each IJB Audit Committee meeting or via IJB Audit Committee Chair or via other reports to the IJB e.g. IJB Strategic Risk Register review frequency.
Has the committee evaluated whether and how it is adding value to the organisation?	Yes	During its 2019/20 self-assessment the toolkit 'Evaluating the Effectiveness of the Audit Committee' from the CIPFA 'audit committees' guidance (2018) was utilised to consider how it is adding value to the IJB.
Does the committee have an action plan to improve any areas of weakness?	Yes	The IJB Audit Committee identified areas where it could improve in respect of its scrutiny and challenge role to fulfil its remit during its 2019/20 self-assessment against best practice checklist.
Does the committee publish an annual report to account for its performance and explain its work?	Yes	An Annual Report is presented to the IJB setting out the activities to enable stakeholders to understand how the IJB Audit Committee has discharged its duties and to identify areas of improvement to fulfil its remit.

