MIDDLESBROUGH COUNCIL	Middlesbrough moving forward

Report of:	Head of Paid Service, Erik Scollay Monitoring Officer, Charlotte Benjamin Section 151 Officer, Andrew Humble

Submitted to:	Audit Committee

Date:	23 July 2026

Title:	Audit Committee – Annual Review of Effectiveness 2025/2026 (Initial Stage)

Report for:	Decision

Status:	Public

Council Plan priority:	Delivering Best Value

Proposed decision(s)

That the Audit Committee:

- **APPROVES** the proposed approach to undertaking the Audit Committee's annual review of effectiveness for 2025/2026 as set out in 3.1, 3.2 and 3.3 of this report
- **APPROVES** that a final report, incorporating Member and officer views, will be presented to the Committee in September 2026 for consideration
- **CONSIDERS** its initial views on the effectiveness of the Committee against its terms of reference and the CIPFA Audit Committees Position Statement (2022) and provides them in response to this report.

Executive summary

This report sets out the proposed approach to the Audit Committee's annual review of effectiveness for 2025/2026 and seeks the Committee's approval to undertake the review in line with CIPFA best practice.

The CIPFA Audit Committees Position Statement (2022) expects audit committees to undertake an annual self-assessment of their effectiveness and to report the results to those charged with governance. This report initiates that process for 2025/2026.

Members are asked to approve the proposed approach, which includes gathering evidence from a range of sources, including Member reflection, officer feedback and

progress against previous improvement actions. This reflects good practice in ensuring that the review is evidence-based and draws on multiple perspectives.

The Committee is also asked to provide its initial views on its effectiveness at this stage. These will form a key part of the overall evidence base.

In parallel, feedback is being sought from officers who support and engage with the Committee. This will ensure the review reflects both Member and officer perspectives.

A final Annual Review of Effectiveness report will be presented to the Committee in September 2026, bringing together all evidence and setting out a consolidated assessment of effectiveness and any further improvement actions required.

1. Purpose

1.1 To seek approval of the proposed approach to undertaking the Audit Committee's annual review of effectiveness for 2025/2026 and to invite initial views from Members on the effectiveness of the Committee.

2. Recommendations

2.1 That the Audit Committee:

- **APPROVES** the proposed approach to undertaking the Audit Committee's annual review of effectiveness for 2025/2026 as set out in 3.1, 3.2 and 3.3 of this report
- **APPROVES** that a final report, incorporating Member and officer views, will be presented to the Committee in September 2026 for consideration
- **CONSIDERS** its initial views on the effectiveness of the Committee against its terms of reference and the CIPFA Audit Committees Position Statement (2022) and provides them in response to this report.

3. Background and relevant information

3.1 The annual review for 2025/2026 will be undertaken in a structured two-stage process, consistent with CIPFA expectations for a robust and evidence-based assessment. Members are asked to approve the proposed approach, which will comprise:

- Member self-assessment through discussion at this meeting
- officer feedback, gathered through a structured survey
- assessment of progress against previous review recommendations
- review of the Committee's work programme and outputs during the year to assess delivery against its terms of reference.

3.2 This approach ensures that the final assessment:

- is based on a range of perspectives
- reflects both qualitative and quantitative evidence
- supports a balanced and transparent evaluation of effectiveness.

3.3 The outputs of this stage, together with officer feedback and further analysis, will be incorporated into a final review report that will be brought to Committee for consideration in September 2026. The finalised review will be reflected in the next annual report of the Committee, due to be completed in October 2026.

3.4 Members are invited to actively consider and provide initial views on the effectiveness of the Committee during 2025/2026.

3.5 In doing so, Members may wish to consider their perspectives on:

- how effectively the Committee has fulfilled its terms of reference

- the quality, consistency and impact of member challenge
- the effectiveness of training and development arrangements
- how well the Committee is contributing to strengthening governance, risk management and internal control
- whether the Committee is appropriately focused on its core remit.

3.6 Member views provided at this meeting will be formally captured and will form a key part of the evidence base for the final review.

3.7 Subject to Committee approval of the proposed approach, the next stage of the review will involve:

- completion and analysis of officer feedback
- collation of Member views from this meeting
- detailed assessment of progress against the 2024/2025 external review recommendations
- consideration of the Committee's work programme and outputs for the year.

3.8 A final Annual Review of Effectiveness report will be presented to the Committee in September 2026, setting out:

- a consolidated assessment of effectiveness
- a summary of Member and officer feedback
- progress against previous recommendations from the 2024/25 annual review
- any further improvement actions required.

4. Other potential alternative(s) and why these have not been recommended

4.1 Members could choose not to undertake this annual review. This is not recommended as it would be inconsistent with the CIPFA good practice guidance on this matter and the Committee's commitment to the continuous improvement of its arrangements and delivery of its functions.

5. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including Social Value)	There are no direct financial implications arising from this report. The annual review of effectiveness supports the Committee in providing assurance over the Council's financial governance arrangements, including value for money and financial sustainability.
Procurement	There are no direct procurement implications arising from this report. The review of effectiveness supports oversight of governance arrangements that underpin procurement and contract management.
Legal	There is no specific legal decision arising from this report. However, the requirement to maintain effective governance arrangements and review their effectiveness annually is underpinned by the Accounts and Audit Regulations 2015

	and CIPFA guidance. This report supports compliance with those requirements.
Risk	The annual review of effectiveness is a key element of the Council's assurance framework. Approval of the proposed approach supports the identification of strengths and areas for improvement in the Committee's oversight of risk management and internal control.
Human Rights, Public Sector Equality Duty and Community Cohesion	There are no direct impacts arising from this report. Effective governance arrangements support the Council in meeting its human rights and equality duties through robust decision-making and oversight.
Reducing poverty	There are no direct impacts arising from this report. However, effective governance and assurance support the delivery of the Council Plan, including priorities relating to reducing poverty and inequality.
Climate Change / Environmental	There are no direct impacts arising from this report. The review supports the governance framework that underpins delivery of the Council's climate change and environmental commitments.
Children and Young People Cared for by the Authority and Care Leavers	There are no direct impacts arising from this report. The Committee's governance role supports oversight of services and outcomes for all residents, including children and care leavers.
Data Protection	There are no direct data protection implications arising from this report. Officer feedback gathered as part of the review will be handled in accordance with data protection requirements and reported in anonymised form.

Background papers

Body	Report title	Date
Audit Committee	Review of the Effectiveness of Audit Committee – Final Report, Recommendations and Next Steps	31 July 2025
Full Council	Annual Report of the Audit Committee	15 October 2025

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