

OPEN

Audit and Governance Committee

29 July 2024

Audit and Governance Committee - Progress Against CIPFA Review Actions

Report of: Director of Governance and Compliance (Monitoring Officer)

Report Reference No: AG/03/24-25

Ward(s) Affected: All

Purpose of Report

- 1 This report provides the Audit and Governance Committee with progress on the implementation of actions agreed after the CIPFA review of the Audit and Governance Committee. An effective Audit and Governance Committee supports the Council's aim in the Corporate Plan 2021-2025 of ensuring transparency in all aspects of council decision making.
- 2 In agreeing and implementing and monitoring the actions arising from CIPFA's review, the organisation recognises the value of the Audit and Governance Committee, and the need for it to strive for continuous improvement to remain effective and actively add value to the organisation's overall governance arrangements.

Executive Summary

- 3 This report follows on from the progress report provided to the Committee in December 20223, regarding the implementation of actions arising from the CIPFA review. The actions had been endorsed by the Audit and Governance Committee in June 2023, and updates are set out in detail in Appendix 1 to this report.
- 4 Progress against the actions remains positive; action has now been taken on all recommendations where possible to do so, with further

actions scheduled to take place regarding the Annual Report of the Committee (September 2024) and the Annual Monitoring Officer report (September 2024). Further reflection on the effectiveness of the Committee will be undertaken in preparation for the Annual Report of the Committee.

- 5 Arrangements for further briefing and training to the Committee are set out in Appendix 2 for the Committee to review, amend, and endorse.

RECOMMENDATIONS

The Audit and Committee is recommended to:

1. Note the progress made on the implementation of actions following the CIPFA review of the Audit and Governance Committee. (Appendix 1)
2. Endorse the areas of briefing and training set out in Appendix 2
3. Identify any further actions required to ensure that the Audit and Governance Committee operates as effectively as possible.

Background

- 6 In July 2022, following the publication of an updated position statement for Audit Committees from CIPFA, the Audit and Governance Committee endorsed a review of the Committee to be undertaken by CIPFA, against their updated guidance “Audit committees: practical guidance for local authorities and police.”
- 7 The subsequent report was shared at a workshop in April 2023, held with the Members of the Audit and Governance Committee, and the officers who advise and support the Committee. In that workshop, a series of actions were developed in response to the report’s action plan.
- 8 The recommendations and actions were shared with the Committee in June 2023, and following endorsement of these at that meeting, Officers and Members have been working on implementing these. An update on these was provided to Committee in December 2023, and has been updated further for this report. (Appendix 1)
- 9 Of the 23 actions, work has either completed, or is in hand on all, apart from those which will be picked up in the preparation of the 23/24 Annual Report of the Committee.
- 10 The changes in approach engendered by the CIPFA Review, training and follow up work is demonstrated by the committee’s constructive

approach to a number of matters where further assurance has been sought over the past year, including the S106 internal audit report, assurance updates on the management of the Dedicated Schools Grant deficit and briefings on leadership capacity, recruitment and retention and organisational capacity. Members of the committee Chair and Vice are engaged in with other committees to ensure assurance and oversight, and are meeting regularly with the lead officers who support the Committee.

- 11 To support the ongoing development of the Committee, a skills assessment has been undertaken using the CIPFA guidance. Members of the Committee have assessed themselves against the “core knowledge” areas set out. Responses were received by 80% of the members, and there has been a change to membership since this was undertaken.
- 12 Member responses were generally positive about their understanding of the Committee’s role, their organisational knowledge, and for many of the core assurance areas covered by the Committee. A proposed programme of training and briefing is set out in Appendix 2. This has been set out against each of the “core knowledge” areas, and includes a suggest frequency of the sessions, who will deliver them, and the key focus of the sessions.
- 13 In terms of the practical arrangements, sessions will take place outside of the scheduled Committee meetings and will be provided either via Teams or face to face, depending on the subject matter. Sessions on Teams will be recorded where possible, and recordings and presentations will be made available to members via the Councillor Hub.
- 14 Subject to endorsement, a more detailed schedule of the sessions will be prepared and circulated to Committee members. Additional requests will be identified though discussion with Members.

Consultation and Engagement

- 15 Members of the 22/23 Committee participated in the CIPFA review. Members of the 23/24 Committee have been engaged with the implementation of the actions through reports to the Committee, and through the Terms of Reference working group.

Reasons for Recommendations

- 16 Adopting and implementing the actions discussed at the Member and Officer workshop demonstrates that Committee’s terms of reference reflect the current good practice model, shared in the CIPFA guidance. These, along with practical changes set out in the actions, seek to

improve the overall effectiveness of the Council's Audit and Governance Committee and demonstrate the Council's committee to strong governance.

Other Options Considered

- 17 The Committee could choose not to undertake the proposed training, which may undermine the overall objective of engaging with CIPFA and the action plan. Additional requirements for training and briefing will be identified through discussion with Members.

Implications and Comments

Monitoring Officer/Legal

- 18 The CIPFA position statement represents CIPFA's view on the audit committee practice and principles that local government bodies in the UK should adopt. The review of the Council's Audit and Governance Committee has been carried out against the position statement, and the detailed supporting guidance.

Section 151 Officer/Finance

- 19 There are no changes to the Council's medium term financial strategy arising from this report. Training and briefing to the Committee will be carried out in the most efficient way possible but will be provided from within existing resource unless specialist external support is required. This would be subject to spend review and procurement processes being followed.

Policy

- 20 The review of the Council's Audit and Governance Committee has been carried out against the position statement, and the detailed supporting guidance; any changes arising from the review will seek to ensure the Committee adopts and acts in accordance with best practice guidance. Ensuring the effective working of the Audit and Governance Committee supports the Council's "Open" aim in the Corporate Plan 2021-2025; ensuring there is transparency in all aspects of council decision making.

Equality, Diversity and Inclusion

- 21 There are no equality implications arising from this report.

Human Resources

- 22 There are no human resources implications arising from this report.

Risk Management

23 The adoption of the recommendations and actions arising from the review is intended to manage the risk of the Council's Audit and Governance Committee being ineffective. In receiving update reports on progress in the implementation of the actions, the Committee will be able to reflect on whether the actions are achieving the desired outcome.

Rural Communities

24 There are no rural communities' implications arising from this report.

Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)

25 There are no Children and Young People/Cared for Children implications arising from this report.

Public Health

26 There are no public health implications arising from this report.

Climate Change

27 There are no climate change implications arising from this report.

Access to Information	
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Appendices:	Appendix 1: Committee Action Plan with Progress Appendix 2: Proposed Training and Briefing for Audit and Governance Committee
Background Papers:	CIPFA Review of the Audit and Governance Committee – (Item 7, Report and Appendices, Audit and Governance Committee 8 June 2023) Progress Against CIPFA Review Actions Item 9, Audit and Governance Committee, 7 December 2023