

Audit and Governance Committee – 22 June 2015

Proposed Training Plan for Members of Audit and Governance Committee



Report of the Strategic Manager – Financial Services (s151 Officer)

Ward(s) affected: All

1. Purpose of Report

- 1.1 To seek members views on a proposed training plan for members of Audit and Governance Committee.

2. Recommendations

- 2.1 Members note the proposed training plan, amend as required and indicate the preferred order of training and the timing of training.

3. Background Information

- 3.1 The report sets out a number of options for the Training and Development of Members of the Audit Committee. This report is in response to the request from members of the previous audit committee and the outcome of the recent local elections and subsequent appointments to the Committee.

4. The Report

- 4.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) have published Guidance for Local Authorities on Audit Committees. A copy of this manual is available for members in the Committees folder via their I-pads.
- 4.2 In addition to the CIPFA guidance a publication from the CIPFA Better Governance Forum entitled, 'A Toolkit for Local Authority Audit Committees', published in 2006 also makes comment in relation to 'Training and Awareness'.
- 4.3 When preparing the programme of training for Members it is of course necessary to consider the other demands on their time. It may be difficult for some Members to attend training sessions during the daytime. In addition it may be less burdensome if the training is spread over a period of time and is therefore 'on-going'.

- 4.4 The CIPFA guidance suggests that all Audit Committee members need to be familiar with:
- Governance – an understanding of the requirements of legislation and of local arrangements
 - Risk management – principles and practice
 - Internal control assurance
 - The organisations core activities
 - Accounting issues
 - Regulation and compliance

In addition it is appropriate that new members to the committee receive induction training to cover:

- The role of the committee
 - The terms of reference
 - An overview of council activities
 - The financial and risk environment
- 4.5 Appendix A to the report has a proposed plan for the topics that officers believe need to be covered. The plan also indicates who might provide the training.
- 4.6 In terms of delivering the training, it could be clustered so that where content permits more than one topic is dealt with at either a half day training session, or evening sessions or by means of a thirty to forty five minute topic based briefing session prior to a meeting of the Committee. In addition some of the training may also be suitable and could therefore be offered to other members not on Audit and Governance Committee.

5. Implications

5.1 Financial and Value for Money Implications

The costs of any training from external providers will be met from the budget available for member training.

The Accounts and Audit (England) Regulations 2011 state that the Council is responsible for ensuring that financial management is adequate and effective and that the system of internal control is sound and facilitates the effective exercise of functions and the management of risk. Furthermore, Section 151 of the Local Government Act 1972 requires the Council to 'make arrangements for the proper administration of its financial affairs'.

The Chief Finance Officer (Strategic Manager – Financial Services) role is key to discharging the requirement for sound financial management to the Council. To be truly effective, the Chief Finance Officer requires an effective Audit and Governance Committee that provides support as well as challenge, as well as adequate and effective audit arrangements.

5.2 Legal implications

Whilst not a statutory requirement, the Audit and Governance committee is a key component of governance

5.3 **Contribution to Council Priorities**

The role of the Audit and Governance Committee underpins all of the Council's priorities and in particular Financial resilience through appropriate procedures and practices.

5.4 **Risk Management**

Implementation of appropriate measures to improve the Council's governance arrangements help to mitigate against Corporate Governance and other risks.

5.5 **Equality Impact Assessment**

The Council's Equality Impact Assessment Procedure **has been** followed. An Equality Impact Assessment **has not** been completed on the proposals as completion of **Stage 1- Initial Screening** of the Procedure identified that the proposed policy, strategy, procedure or function **does not have** the potential to cause negative impact or discriminate against different groups in the community based on •age • disability •gender • race/ethnicity • religion or religious belief (faith) •sexual orientation, or • rural isolation.

6. **Consultations with Others**

None

7. **Access to Information : Background Documents**

None

8. **Author of the Report**

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9. **Appendices**

Appendix A – Outline training plan.

PROPOSED TRAINING PLAN TOPICS – AUDIT & GOVERNANCE COMMITTEE

PROPOSED TRAINING	PROVIDER	TIMEFRAME
An overview of Council activities	Corporate Leadership Team	May 20 2015 – Induction Day
The role and the Audit & Governance Committee its responsibilities	External	
The financial and risk environment	Strategic Manager Financial Services, Monitoring Officer, Chief Executive	
The role of the External Auditor – focus on the reports that the Auditor produces that the committee need to review.	Mazars LLP	Prior to committee tbc
The role of Internal Audit – focus on their role and the work that they do and the reports that the produce that the committee need to review.	Internal Audit Manager Harrogate BC.	Prior to committee tbc
Risk management & Corporate Governance	External	
Financial Reporting – understanding the council's accounts	Strategic Manager Financial Services & Senior Accountant	Prior to Audit Committee 29 September 2015
Local Government Finance	External / Strategic Manager Financial Services	
The regulatory framework (statutory background, financial regulation, contract rules, the constitution)	Corporate Leadership Team	
Value for Money	VFM Manager & Strategic Manager Financial Services	
Treasury Management	External	
Fraud and corruption awareness/irregularities, anti-money laundering, data protection.	External	