



Work Programme

To:	Audit & Governance Committee
Meeting Date:	2 December 2022
Public report:	Yes
Lead Member:	Deputy Mayor Councillor Anna Smith
From:	Jodie Townsend Governance Improvement Lead
Key decision:	No
Forward Plan ref:	N/A
Recommendations:	<p>The Audit & Governance Committee is recommended to:</p> <ul style="list-style-type: none">a) Consider the report and proposed changes to the Committee's 2022/23 work programmeb) Adopt the proposed work programme for the Audit and Governance Committee for the 2022/23 municipal year attached at Appendix A
Voting arrangements:	A simple majority of all Members present and voting

1. Purpose

- 1.1 The purpose of the agenda item is to provide the Audit & Governance Committee with an opportunity to discuss and adopt a work programme for the remainder of the 2022/23 year that inputs to the Improvement journey and responds to the endorsed review of governance.

2. Background

- 2.1 At the previous Audit & Governance Committee meeting on 30 September 2022 the Governance Improvement Lead undertook to provide the Audit & Governance Committee with a work programme proposal for the remainder of 2022/23 that would allow the Committee to focus on specific elements relating to improvement that fall within the remit of this Committee.
- 2.2 In accordance with the Constitution, the Audit and Governance Committee must perform certain statutory duties including the approval of accounts, governance arrangements, financial reporting and code of conduct.

3. The Work Programme

- 3.1 The Audit & Governance Committee discussed the Review of Governance at its meeting on 29 July 2022; the review included conclusions around the Committee's ways of working and recommendations for the Committee to respond to.
- 3.2 The review revealed a lack of clarity on where the Committee fitted into the overall operation of the Combined Authority and to what extent the Committee should seek to access information such as performance data.
- 3.3 Specifically the review concluded that the Committee was less sure of what the role of the Committee was in relation to:
 - ☐ how to add value with oversight on Risk Management Strategy
 - ☐ oversight role in relation to the Assurance Framework in ensuring that it is being complied with and being developed
 - ☐ performance management oversight role and what data should be provided
- 3.4 The review made 4 recommendations specific to the Audit & Governance Committee, they were as follows:
 - ☐ Support for Audit & Governance Committee be enhanced to ensure clear links exist between the role and information provided to PARC and the Committee
 - ☐ The role of Audit & Governance Committee be clarified in regard to performance management and what information it requires to undertake this role
 - ☐ The role of the Audit & Governance Committee be enhanced as it applies to the Assurance Framework to ensure that it includes oversight of compliance with the Assurance Framework and best practice development.
 - ☐ Audit & Governance Committee be provided with training on its financial management role, key associated skills and how these fits into the Combined Authority context
- 3.5 At its meeting on 30 September 2022 the Committee received a presentation on the developing Improvement Plan and the role of the Audit & Governance Committee in relation to improvement moving forward.
- 3.6 That presentation set out the role of the Committee in relation to the improvement journey as follows:
 - ☐ to assure itself (and the Board) that improvement framework will satisfy DLUHC and the External Auditors concerns.

- ☐ to assure itself (and the Board) that improvement is on track

- 3.7 To support this role it was agreed that an Improvement Highlight report be presented to Committee that sets out high level view on performance, risk and issues. A supporting cover report to include commentary on actions taken and next steps to address significant concerns raised by External Auditor.
- 3.8 The presentation to the Committee also set out several improvement workstreams from within the improvement plan where officers would seek to engage the Committee for input at the appropriate point, these include improvements to corporate governance arrangements such as:
- ☐ performance management
 - ☐ risk management
 - ☐ financial management
 - ☐ corporate governance escalation processes
- 3.9 There is also a constitution workstream that will seek to rewrite the Constitution to address matters raised within the review of governance and reflect the numerous constitutional changes required from the improvement framework. The constitution work will also seek to create a best practice document. This work will be led by a small officer group in consultation with the Lead Member for Governance in order to allow quick progression. It will however require proposals to be considered and approved by the Committee for recommendation onto Board.
- 3.10 The outcome of the discussion on 30 September 2022 was a request by the Committee for a new work programme proposal to be developed for consideration by the Committee that took on board those matters discussed in relation to the improvement journey and also providing the Committee with an opportunity to respond to the recommendations within the review of governance.

4. Work Programme Proposal

- 4.1 Attached at Appendix A is a proposed work programme for the Committee to consider adopting for the remainder of the 2022/23 municipal year.
- 4.2 The proposed work programme attempts to separate out key responsibilities of the Committee under the following headings:
- ☐ Internal Control Items (such as financial management and risk)
 - ☐ Audit (both internal and external)
 - ☐ Standards and conduct (code of conduct, member behaviour).
- 4.3 It also includes an improvement heading to take account of the improvement responsibilities of the Committee and to provide a response to the review of governance.
- 4.4 The 4 areas from the Review of Governance are picked up in the work programme proposal with the exception of Recommendation 35 - Support for Audit & Governance Committee be enhanced to ensure clear links exist between the role and information provided to PARC and the Committee.

- 4.5 Recommendation 35 has not been included in the work programme proposal at this stage as PARC is still in its infancy and needs to be developed before it is capable of actively supporting the Audit & Governance Committee. It is proposed to develop PARC internally and then to engage the Committee at the appropriate point to discuss responding to this particular review of governance recommendation.

Significant Implications

5. Financial Implications

- 5.1 None

6. Legal Implications

- 6.1 None

7. Appendices

- 7.1 Appendix A – Proposed Work Programme

8. Background Papers

- Current Work Programme