



Audit and Governance Committee		Agenda Item
26th January 2024		13
Title:	Review of Committee Arrangements	
Report of:	Nick Bell, Executive Director (Resources & Performance)	
Lead Member:	Edna Murphy (Lead Member for Governance)	
Public Report:	Yes	
Key Decision:	No	
Voting Arrangements:	N/A	

Recommendations:

A	To note the outcome of the review of the arrangements for the Audit & Governance Committee following the completion of the questionnaire and workshop regarding options for changes following benchmarking with other Mayoral Combined Authority Audit & Governance Committees.
B	To approve that there will be an annual review by Members of the Audit & Governance Committee of the arrangements for that committee in sufficient time for any proposed changes to be made in the following Municipal Year.
C	To ask the Monitoring Officer to contact other Mayoral Combined Authorities with a view to establishing a forum for the Chairs and Vice-Chairs of their Audit & Governance Committees to discuss issues of mutual concern and benefit.

Strategic Objective(s):

The proposals within this report fit under the following strategic objective:

	Achieving Best Value and High Performance
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1. Purpose

1.1	The report sets out the results of a questionnaire sent to Members of the Audit & Governance Committee and a workshop attended by Members of the Audit & Governance Committee to consider a number of potential changes to the arrangements for the Committee.
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2. Proposal

2.1	This committee received a report at its September 2023 meeting which provided the committee with an overview of some of the arrangements for Audit & Governance Committees by the other eight existing Mayoral Combined Authorities (excluding the Greater London Authority which was not considered a good comparator given its different scale and remit) and sought views from the Committee as to what, if any, changes should be considered for this committee.
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2.2	The report followed a request by the committee in June 2023 that a review of Audit & Governance arrangements in other Mayoral Combined Authorities (MCAs) be undertaken to provide the committee with a basis to discuss whether there were arrangements being used by Audit and Governance Committees in the other MCAs that might be useful to be incorporated in Cambridgeshire & Peterborough.
2.3	Officers requested information from eight MCAs (all other MCAs excluding the Greater London Authority, whose remit and scale is significantly different to other MCAs). Five of the MCAs responded directly and information was sought from the websites of the remaining three. The information was collated and is attached as Appendix A to the report.
2.4	The information raised a number of potential areas for discussion by the committee, as noted in the paragraphs below, although the questions were not meant to be exhaustive should the committee have wished to consider other points as well.
2.5	Members of the Committee were issued with a questionnaire to ascertain their views and a number of the Members of the committee responded to that questionnaire. Following that there was a workshop to which all Members of the committee were invited to discuss these questions further. This report reflects the outcome of responses to the questionnaire and discussion at the workshop.
2.6	QUESTIONS POSED AND RESPONSES
2.7	The membership of other MCA Audit Committees ranged from 6-12 members, with five of the eight committees having nine or more members. CPCA's Audit Committee currently had 8 members (one from each constituent council plus an independent Chair). This suggested that there was scope for a larger committee should the members consider that it was beneficial to co-opt other members onto the committee. (It was noted that the decision to co-opt an Independent Councillor, and to co-opt another Independent Person, would raise the number of members of the Committee to 10). The Committee were asked whether they had a view about the ideal size of the Committee. <i>In response the view of the Committee was that the ideal size should be no greater than the 10 who would be Members of the Committee following the addition of an Independent Councillor and an additional Independent Person.</i>
2.8	All the Audit Committees had at least one Independent Person as a member. Two (Greater Manchester and Tees Valley) had more than two Independent Persons. The Committee were asked whether they believed that the number of Independent Persons should be more than the two who would be Members of the Committee after the additional Independent Person was appointed. <i>Members of the Committee believed that two Independent Persons on the Committee should be sufficient as this allowed for both succession planning and coverage on the Committee should one of the Independent Persons not be available for certain meetings</i>
2.9	One Audit Committee (West Midlands) included a co-opted member from the LEP. Some other CPCA Committees (including the Board and thematic committees) included co-opted members from the Business Board. The Committee was asked whether they had a view about whether the co-option of a Business Board member should be considered. <i>Members of the Committee agreed that a Member of the Business Board should not be co-opted, but that the views of the Business Board should be sought in advance of Committee meetings where any item had a particular link to the work of the Business Board.</i>
2.10	All other MCA Audit Committees had three or four scheduled meetings a year (albeit that some held additional meetings where required). CPCA had six meetings of the Audit & Governance Committee scheduled for this Municipal Year. Members were asked whether, subject to the Best Value Notice being lifted, they had a view about the ideal number of scheduled meetings in the next Municipal Year. <i>Members were in agreement that the current workload of the Committee was likely to continue to need six meetings in the next Municipal year. The frequency of meetings should, however, be reviewed annually by the Committee.</i>
2.11	Two of the other MCA Audit Committees (Greater Manchester and South Yorkshire) held regular deep dives on key risks. Greater Manchester considered a range of strategic risks at full Audit committee whilst South Yorkshire focused on transport related risks through a separate sub-committee. It was noted that the committee had agreed to test out deep dives of specific risks, starting with key financial risks. Members were asked whether they would consider a smaller sub-committee of the Audit & Governance Committee undertaking deep dives if the deep dives were taking up too much time on the

	main committee's agenda. <i>Members of the Committee agreed that there was no need for a separate sub-committee to undertake deep dives and that the time of business on the agenda of the main committee should be managed in such a way as to enable sufficient time to be spent on deep dives.</i>
2.12	A number of the other Audit Committees had different names, including the words 'Risk', 'Standards' and/or 'Assurance'. Feedback from some of the MCAs was that they believed this helped staff, stakeholders and the public understand the full role of the committee. Members were asked if they had any views about whether the current name of Audit & Governance Committee should be amended if it was considered that this would better reflect its responsibilities. <i>Members agreed that the remit of the committee was more important than its name and did not support any change to the name of the committee.</i>
2.13	Finally, although not specifically asked of other MCAs, it was noted that there could be benefit in arranging occasional virtual meetings between Chairs and Vice Chairs of MCA Audit Committees to share ideas and best practice. This already happened with Overview & Scrutiny Committees and Members were asked if they would support this. <i>There was general agreement that this would help the committee understand continuing developments in other MCAs.</i>
2.14	In addition to the above a question has been posed by some Members of the Committee about how proactive the committee should be in seeking out potential areas for further improvement as opposed to commenting on issues raised by the auditors or the executive. <i>It was agreed that this should be the subject of further discussion for Members of the committee in the future as part of an annual review of the arrangements for the committee.</i>

3. Background

3.1	As part of the Improvement Programme it is important that all of the key parts of the governance structure of the CPCA reviews itself against best practice. This report provides an overview of the review undertaken by the Audit & Governance Committee after considering what, if any, changes should be recommended after comparing CPCA's Audit & Governance Committee arrangements against practice in other MCA Audit Committees.
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4. Appendices

4.1	<i>Appendix A – Details of arrangements in Mayoral Combined Authorities' Audit Committees</i>
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5. Implications

Financial Implications

5.1	There are no direct financial implications from the issues contained in the report.
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Legal Implications

6.1	<p>The CPCA is subject to the best value duties under the Best Value legislation to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. Under the Duty of Best Value, therefore, authorities should consider overall value, including economic, environmental and social value, when reviewing service provision.</p> <p>Therefore, the actions in this report will demonstrate and contribute to the CPCA fulfilling its best value duties.</p> <p>Furthermore, it is good practice for the Committee to review its own arrangements to ensure that it is fit for purpose and delivering at its highest to residents of the CPCA area.</p>
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Public Health Implications

7.1	None directly
Environmental & Climate Change Implications	
8.1	None directly
Other Significant Implications	
9.1	
Background Papers	
10.1	