

Meeting: Audit and Governance Committee
Subject: Monitoring the Effectiveness of the Audit and Governance Committee
Author: Joanne Barclay, Senior Solicitor
Sponsor: Paul Kelly, Finance Director
Meeting Date: Friday 15 December 2023

1. Purpose of the Report:

- 1.1 To appraise members on the implementation of the CIPFA self-assessment tool which will assist members to monitor the effectiveness of the Committee.

2. Recommendations:

- 2.1 For members to note the timetable for the proposed roll out of the self-assessment tools.

3. Main Issues:

- 3.1 At the committee meeting on 9 August 2023, the Chair aired the principle of the committee measuring its effectiveness.
- 3.2 It was reported at the last meeting on 15 September 2023, that "Active consideration of committee performance" would be included in the Audit and Governance work programme for 2023/2024.
- 3.3 It is considered best practice for an Audit and Governance committee to review its effectiveness or to seek an external review. CIPFA recommends that this review is undertaken on an annual basis and that the results of this self-assessment are made available in the annual report from the committee.
- 3.4 Officers have undertaken some research and have opted for the CIPFA self-assessment tools for monitoring the effectiveness of the Audit and Governance Committee. There are two interactive tools which will be utilised as part of the monitoring, namely: (1) Self-assessment of good practice and (2) Evaluating the impact and effectiveness of the audit committee.
- 3.5 Officers have selected the CIPFA product as the organisation is UK based and its members work throughout the public services where public money needs to be effectively and efficiently managed.
- 3.6 The purpose of monitoring the effectiveness of the committee and undertaking self-assessment is in order to develop the committee and to assist it, in providing the required assurances via the annual report. The proposed resources, namely (1) the Self-assessment of good practice and (2) Evaluating the impact and effectiveness of the audit committee will support self-assessment and encourage reflection on the impact that the committee has.
- 3.7 It is proposed to present a more detailed report to members regarding this matter at the next meeting on 8 March 2024. At the next meeting, the self-assessments tools will be presented to the Committee, officers will provide an explanation as to how to use them and respond to any questions from members.
- 3.8 Once the self-assessment tools are introduced, it is proposed that officers will receive and review the results of the committee's own self-assessment and devise an action plan for improvement and provide support for the action plan and seek progress reports.

4. Corporate Considerations:

Financial Implications

- 4.1 Other than the modest cost of procuring the tool from CIPFA, £265 plus VAT, there are no financial implications.

Resource Implications

- 4.2 There are no additional resourcing implications to Transport for the North as a result of implementing the self-assessment tool/process set-out within this report.

Legal Implications

- 4.3 It is considered best practice for a committee to review its effectiveness. CIPFA recommends that this is undertaken on an annual basis and that this is reported in its Annual Report.

Risk Management and Key Issues

- 4.4 A corporate risk is being managed in the context of complying with governance and corporate process across Transport for the North which relates to this report.

Environmental Implications

- 4.5 There are no environmental or sustainability implications.

Equality and Diversity

- 4.6 Members are asked to contact the author of the report, if they require any support in using the self-assessment tools.

Consultations

- 4.7 Audit and Governance Committee is being consulted, through this report, on the proposed action for the next meeting.

5. Background Papers:

- 5.1 None.

6. Appendices:

- 6.1 None.

Glossary of terms, abbreviations and acronyms used

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| a) CIPFA | Chartered Institute of Public Finance and Accountancy |
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