Report to:	Audit and Governance Committee	Date of Meeting:	Wednesday 16 March 2022
Subject:	Audit and Governance Committee Member Training and Development		
Report of:	Executive Director of Corporate Resources and Customer Services	Wards Affected:	(All Wards);
Portfolio:	Regulatory, Compliance and Corporate Resources		
Is this a Key Decision:	No	Included in Forward Plan:	No
Exempt / Confidential Report:	No		

Summary:

To approve a programme of Audit and Governance Committee Member briefing sessions, based on the key competencies outlined by the Chartered Institute of Public Finance and Accounting (CIPFA) to be held for one hour prior to scheduled meetings of the Audit and Governance Committee.

As the Audit and Governance function cross-cuts all Council business it is also proposed that all Councillors would benefit from attending a course providing an introduction to and overview of the Audit and Governance function. Also, in line with CIPFA Guidance, it is proposed to offer a Treasury Management training session to all Members. Both of these courses would be incorporated in the Council's Member Induction and Development Programme Handbook which is provided to Members at the start of each municipal year.

Recommendation:

The Audit and Governance Committee is requested to

(1)   Note the recommended key competencies required of Audit and Governance Committee members set out by CIPFA as detailed in Appendix 1 to the report.

(2)   Approve the Audit and Governance Committee Schedule of member development topics and dates set out in Appendix 1.

(3)   Endorse the importance of Audit and Governance Committee members 'buying into' and showing commitment to training and development.

(4)   Endorse the inclusion of an 'Introduction to Audit and Governance' and 'Treasury Management' training sessions for all Councillors as part of the Member Induction and Development Programme.

Reasons for the Recommendation(s):

CIPFA emphasises the importance and good practice of providing ongoing training and development for Audit and Governance Committee members and recommends that authorities establish a programme of support that provides regular briefings /formal training programme.

Alternative Options Considered and Rejected: (including any Risk Implications)
To not provide Audit and Governance Committee Member development would limit the capacity for Members to effectively participate and contribute at meetings.

What will it cost and how will it be financed?

(A)   Revenue Costs
None directly

(B)   Capital Costs
N/A

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):
None directly – most of the briefings will be undertaken 'in-house' facilitated by Council Officers. Briefings provided by external providers, such as Ernst and Young (EY) (External Auditors) and Arlingclose (Treasury Management consultants) are incorporated in their ongoing fees and charges and will therefore incur no additional costs.

Legal Implications:
There are no legal implications

Equality Implications:
There are no equality implications

Climate Emergency Implications:

The recommendations within this report will

Have a positive impact	N
Have a neutral impact	Y
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	Y

Contribution to the Council's Core Purpose:

Protect the most vulnerable: N/A
Facilitate confident and resilient communities: Yes
Commission, broker and provide core services: N/A
Place – leadership and influencer: Yes
Drivers of change and reform: Yes
Facilitate sustainable economic prosperity: N/A
Greater income for social investment: N/A
Cleaner Greener N/A

What consultations have taken place on the proposals and when?

(A)   Internal Consultations
The Executive Director of Corporate Resources and Customer Services (FD.6709/22) and the Chief Legal and Democratic Officer (LD.4909/22) have been consulted and any comments have been incorporated into the report.

(B)   External Consultations
None

Implementation Date for the Decision
Immediately following the meeting of the Audit and Governance Committee

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Appendices:

Appendix 1 – Proposed Schedule of Member Briefing Sessions for 2022-2023 and 2023-2024

Background Papers:

The CIPFA document -'Audit Committees – Practical Guidance for Local Authorities and Police – 2018 edition' setting out best practice for audit committees, is referenced throughout the report. This can be accessed on the Council's website at the following link: smbc-modgov-03/ecCatDisplay.aspx?sch=doc&cat=14000

1. Introduction/Background

The Chartered Institute of Public Finance and Accountancy (CIPFA) recommends that regular briefings and training are essential to keep Audit and Governance Committee members up to date, confident and effective in their role. It is therefore proposed that a programme of Member briefing sessions, lasting approximately one hour, be scheduled prior to meetings of the Audit and Governance Committee.

2. Skills and competencies

2.1 CIPFA has outlined the following functions of what an Audit Committee should be undertaking within the Public Sector:

- Good Governance and the Annual Audit and Governance Statement
- Internal Audit
- Risk Management
- Assurance Frameworks and Assurance Planning
- Value for Money and Best Value
- Countering Fraud and Corruption
- External Audit
- Financial Reporting
- Partnership Governance and Collaboration Agreements
- Governance and Ethical Values
- Treasury Management
- Standards – Breaches of the Member Code of Conduct

2.2 Based on these functions CIPFA has set out a list of key competencies required by Audit Committee members to meet the functions outlined above. It is proposed that the respective member briefing sessions will be based on these recommended key competencies as detailed in the table at Appendix 1 to the report. In Sefton the Audit Committee is titled Audit and Governance Committee to reflect wider responsibilities for managing some governance issues.

3. Sefton Council Member Induction and Development Programme Handbook

3.1 The Council launched its Member Development Programme for all Members in 2021, providing a programme of courses (detailed in the Member Development Handbook) to support Councillors in their role. Currently the handbook does not feature any training on the Audit and Governance Committee functions. However, as Audit and Governance affects the work of all Councillors – not just Audit and Governance Committee members, it is suggested that an **Introduction to Audit and Governance** session would be helpful as a stand-alone session for all Members and be included in the 2022 – 2023 Member Development Programme Handbook.

3.2 Also, given that Council approves the Treasury Management Strategy on an annual basis, it is also proposed to offer **Treasury Management Training** to all Councillors, in line with CIPFA Code which states:

"The responsible officer will ensure that board/council members tasked with treasury management responsibilities, including those responsible for scrutiny, have access to training relevant to their needs and those responsibilities.

Those charged with governance recognise their individual responsibility to ensure that they have the necessary skills to complete their role effectively".

4. **Conclusion**

4.1 CIPFA stresses the importance of Audit and Governance Committee Members being committed to and 'buying into' training and development regardless of previous knowledge and skills they had when they joined the committee; ensuring that their knowledge is kept up to date, giving them more confidence and understanding of their role as A&G Committee members and helping to facilitate effective, participation and decision making at meetings.

4.2 To further support Audit and Governance Committee Members, a comprehensive library of information is available in the Audit and Governance Committee folder found in the Mod Gov Library, comprising CIPFA information documents and slides from A&G member briefing sessions - accessed via the following link: smbc-modgov-03/ecCatDisplay.aspx?sch=doc&cat=13922