

Audit and Accounts Committee Draft Training Plan

To: Audit and Accounts Committee

Meeting Date: 26 May 2023

From: Executive Director for Finance and Resources

Electoral division(s): All

Key decision: No

Forward Plan ref: N/A

Outcome: The Committee is asked to consider a proposed training programme to support members awareness and understanding in carrying out their functions.

Recommendation: The Committee is asked to:

- Note the report,
- Consider both the format and content of the draft training plan attached at Appendix 1, noting any changes in that or timings.

Officer contact:

Name: Michael Hudson
Post: Executive Director, Finance & Resources
Email: Michael.hudson@cambridgeshire.gov.uk
Tel: 01223 699013

Member contacts:

Names: Councillors Graham Wilson and Nick Gay
Post: Chair/Vice-Chair
Email: graham.wilson@cambridgeshire.gov.uk
nick.gay@cambridgeshire.gov.uk
Tel: 01223 699831

1. Background

- 1.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) issued an updated position statement on local authority, and police, audit committees. Included in those suggestions, which took account of other reviews such as the Redmond Review, was advice that while expertise in the areas within the remit of the committee is very helpful, the attitude of committee members and willingness to have appropriate training are of equal importance. As such the recommended practice is for audit committees to review and assess themselves annually or to seek an external review. This review should also help inform a planned programme of regular training to address gaps and maintain standards. None of the national bodies have set a prescribed standard of training with suggestions ranging from specific training to encouraging committee members to participate in networks and forums established for the purpose of sharing good practice.
- 1.2 The Audit and Accounts Committee's last training was held on members recent induction following the last County Elections –June 2021. As such this report contains suggestions to continue to improve its support for members and a programme to look at providing a strong framework that covers the areas covered by the Committee as well as emerging changes.

2. Main Issues

- 2.1 Local government audit and finance is continuing to evolve. The valuation of balance sheets or format of the accounts has never been more complicated, the regulation of audit is changing and the public scrutiny on the role of audit committees has never been as high profile. As such the Audit and Accounts Committee members have a significant number changes it needs to consider and plan for. Whilst we acknowledge the high competency of the County Council's members, we continually strive to ensure all of its members have access to training to maintain those skills.
- 2.2 The attached Appendix sets out a proposed training plan for the remainder of this electoral cycle.
- 2.3 It is suggested that to create flexibility and recognise the demands on members the programme should be a mixture of face-to-face delivery and on-line training. Where training is held face to face every effort will be made to set dates significantly in advance to allow members to attend and aligned with the Committee dates, although where members cannot attend, all training will be recorded and available for non-attendees to follow up at a later date.
- 2.4 It is suggested that the training be provided by a mixture of officers and external advisors at nil cost.
- 2.5 Going forward we would undertake skills based assessments to drive amendments and additions to this programme, as well as the level at which the training is pitched to meet needs, and focus in on Cambridgeshire CC specific issues.
- 2.6 Members will be required to attend / complete all training modules. Alongside this the programme will continue to be reviewed in light of emerging developments from CIPFA, Government and Audit, Reporting and Governance Authority (ARGA).

- 2.7 Officers will carry out a post training session evaluation and will continually seek advice and comments from members attending on the focus and style of training.
- 2.8 It is suggested this programme could inform the future Annual Report presented to Full Council by the Chair of the Audit and Accounts Committee to demonstrate the effectiveness of the Committee.

Proposed Audit & Accounts Committee DRAFT / POTENTIAL Training Programme 2023-2025

Face to face training:	Potential E-Learning modules
2023/24	
Accounts – Valuations / Property, Plant & Equipment: A focus on the methods used to value and estimate values of our key assets, as well as coverage. This will inform Members ahead of scrutiny of the Councils 2022/23 draft statement of accounts.	Audit Landscape: There are several national changes taking place around how external and internal audit are set out, delivered and governed. This includes Audit, Reporting and Governance Authority (ARGA), the appointment of external auditors, fee setting and quality reviews of IA.
Treasury Management: This will inform members of the Councils Treasury Strategy, the reasoning behind risk, as well as how and where the Council invests / borrows its money. The cashflow forecasting employed and the accounting for treasury management.	Audit Code changes: Chartered Institute of Public Finance & Accountancy (CIPFA) and National Audit Office (NAO) regularly carry out updates to audit codes of practice. This training will cover the basic content and updates (happening and planned)
Risk Management: What is risk management, how do you assess likelihood and impact, what is a risk event, what is mitigation and residual risk, as well as what is risk appetite.	Regulation updates: Government sets out regulations as to how finance functions, audit and audit committees must work. This session will focus on what these are and any updates (happening or planned).
Financial Sustainability: This will focus on how the Council assesses factors that affect its long-term financial viability, including commitments, budget monitoring and management of reserves.	Skills Frameworks: This programme will focus on the core competencies of audit and finance, including risk based audit, estimation and forecasting.

Face to face training:	Potential E-Learning modules
2024/25	
Internal Audit: A focus on the role of IA, qualitative factors and measures, resourcing, risk based approach including three lines of defence, as well as good reporting and follow up.	Role of the Statutory Officers: who are statutory officers, what are they responsible for, where is their role defined and what does that mean for the way we work.
Business Continuity: This will focus on what is Business Continuity, when does it apply, how it is managed and what an Audit Committee should look at in assessing the effectiveness of an organisations response to incidents.	Partnership Governance: How do we work with our partners; what difference factors do we need to consider in making decisions across partnerships.
Constitution: This training will coincide with the planned update of the Authority's Constitution as part of its Annual Governance Statement work. As such it will look at what is a constitution, what does it cover and how is it applied.	Ombudsman: Which Ombudsman bodies cover local government, how do they operate and how do we respond.
Fraud and Money Laundering: A guide to legislative requirements to safeguard public funds. How we plan and undertake checks within our controls to mitigate these risks.	Transparency & openness: why is this such an important principle of the public sector and what does it mean? How do we interpret and ensure we are in line with standards? Where do the 'grey lines' lie?
2025/26	
Induction & Role of an Audit Committee: Basic introduction to the purpose of an Audit Committee, the Terms of Reference, Frequency and agenda of meetings, where to find further information and introduction to key officers and partners.	External & Internal Audit: Who are they, what are their powers, what areas do they look at, how are they different. Introduction to our auditors as well as plans of work and ways of reporting to Committee.