



AUDIT AND GOVERNANCE COMMITTEE

THURSDAY, 26 SEPTEMBER 2024

Venue:	CPCA Meeting Room, Pathfinder House, Huntingdon	
Time:	10.00 am	
Present:	John Pye	Independent Member
	David Harwood	Independent Member
	Councillor Mike Todd-Jones	Cambridge City Council
	Councillor David Brown	East Cambridgeshire District Council
	Councillor Geoff Harvey	South Cambridgeshire District Council
	Councillor Haz Nawaz	Fenland District Council
	Councillor Alison Whelan	Cambridgeshire County Council
	Councillor Chris Wiggin	Peterborough City Council

Minutes

1	Apologies for Absence
	Apologies received from Cllr Wilson, substituted by Cllr Whelan, Cllr Hodgson-Jones – no substitute, Cllr Christy substituted by temporary substitute Cllr Nawaz.
2	Declaration of Interests
	There were no declaration of interests made.
3	Chair's Announcements
	<p>The Chair made the following announcements:</p> <ol style="list-style-type: none">1) New member Cllr Wiggin as representative from Peterborough City Council2) The Chair encouraged members to attend the development sessions. Officers would send reminders prior to the meetings.3) External Audit - In response to the challenges facing local government auditors nationally, the Minister of State for Local Government and English Devolution presented a statement to Parliament on the 30th July 2024 setting out the Government's intent to implementing a backstop date for audits of Local Government accounts for the 2022/23 financial year of the 13th December 2024. As a result we will need to consider that year's accounts before the end of November and, under the work programme item, the committee will be asked to consider moving our December meeting to the 28th November.4) Code of Corporate Governance moved to November's meeting
4	Minutes of the previous meeting

	<p>The minutes of the meeting on 18th July were approved as an accurate record.</p> <p>The Action Log was noted by the Committee.</p>
5	<p>Improvement Plan Report</p>
	<p>The Committee received the report which provided an update on the improvement work and status of Best Value Notice.</p> <p>The Chair invited the Chief Executive to introduce the report.</p> <p>The Chief Executive firstly thanked Angela Probert for all her hard work on the improvement plan. In conversations with MHCLG it was clear that they wanted to learn from the CPCA experiences to help shape future devolution deals. There had been a lot of hard work undertaken but the lifting of the Best Value Notice did not mean the organisation would now rest but rather continue to work to take any further opportunities available from government.</p> <p>The Chair stated that the improvement work whilst necessary had taken away focus from actual work but now CPCA has the opportunity to focus on the work.</p> <p>The following points were raised during the discussion:-</p> <ul style="list-style-type: none"> • In response to a question about how the A&G Committee could ensure that the steps taken within the improvement work would continue to be embedded, the Committee were advised that updates would continue to be brought to this committee although these may be through reviews carried out by external and internal auditors. The Board would also receive updates on broader topics such as the shared ambition and local growth plans. It was intended that there would be feedback to check on the embedding and shared ambition work to the Independent Improvement Board (IIB) – these will then feed into reports that go to Board via the CEO updates. • The Chair requested that there be a way for the A&G Committee to be updated regularly on the embedding process to ensure there was no slippage; officers agreed that similar to other committees a regular director update report would be added to the work programme as a standing item. <p>The Committee RESOLVED to:</p> <ol style="list-style-type: none"> a) Note the contents of the letter from Max Soule, Deputy Director, Local Government Intervention and Stewardship, Ministry of Housing, Communities and Local Government b) Recognise the progress that has been made and the work undertaken by staff, Elected Members, partners and agencies to address the areas of identified improvement c) Note the close down arrangements for the current improvement programme (phase 3) d) Note the proposed revised future role for the Independent Improvement Board <p>ACTION: Standing item to be added to the work programme providing an update on the embedding of the improvement work and an update on CPCA activity.</p>
6	<p>Internal Audit Action Tracker</p>
	<p>The Committee received the report which requested that they note the progress on the implementation of internal audit actions and confirm the frequency of the reports going forward.</p> <p>The Internal Auditor reported that they had carried out a review and could report a positive opinion on</p>

	<p>actions being completed.</p> <p>The Committee requested that the report should be brought every six months unless anything substantially changes, in which case a report would need to be brought earlier. The Committee RESOLVED to note and endorse progress on the implementation of internal audit actions.</p> <p>ACTION: Internal Audit report to be added to the work programme every six months.</p>
7	<p>Constitution Update – Procurement</p>
	<p>The Committee received the report which set out proposed changes to the Combined Authority's CPR's in the constitution in line with the changes being brought into effect under the Procurement Act 2023.</p> <p>The following points were raised during the discussion:-</p> <ul style="list-style-type: none"> • The Committee were advised that the new procurement legislation had been delayed but that the team would continue to the work to prepare for the implementation. • Officers advised that the procurement team were working towards the change in legislation and would be ready when the changes came in; there would be need resource required within the team especially to manage the admin but the new legislation should cut through the red tape of getting a contract. • All procurement activity would be done through an electronic portal. Smaller purchases had to be made by raising a purchase order. • Tender bids would be opened and recorded through the new portal; these would be submitted and could not be accessed until the deadline had passed – only the procurement team had access to the portal. • In response to a question about how waivers and exemptions would be monitored, the Committee were advised that the new process would make KPI's and contracts far more transparent so any issues would be easier to review and raise at the relevant committee. • The Committee requested that a report be brought back to the February meeting to provide some metrics on how the behaviour of the procurement system is operating. This should include the monitoring of waivers and exemptions and any challenges received from suppliers or contractors, and the impact that the system was having on the procurement team. <p>The Committee RESOLVED to:</p> <p>a)Recommend to the Combined Authority Board to approve the attached changes to the Contract procedure Rules (CPR's) within the constitution which is to be discussed and approved at Board on 16th of October 2024 and will become effective when the new legislation is implemented.</p> <p>ACTION:</p> <p>Report on how the behaviour of the procurement system is operating including the monitoring of waivers and exemptions and any challenges received from suppliers or contractors and the impact that the system was having on the procurement team to be added to the February agenda.</p>
8	<p>Internal Audit - Progress report</p>

	<p>The Committee received the report which provided an update from the Internal Auditors.</p> <p>The following points were raised during the discussion:-</p> <ul style="list-style-type: none"> • In response to a question about the GDPR audit and the high level action, the committee were advised that this related to a specific requirement of the GDPR guidelines around a record of processing activity. • In response to a question about post assignment surveys, the committee were advised that this was for officers to complete and that this would be picked up to ensure colleagues completed these going forward. <p>The Committee RESOLVED to note the report.</p>
9	<p>Independent Member Recruitment</p>
	<p>The Committee received the report which requested that the Audit and Governance Committee consider and agree to appoint a new independent member to the Audit and Governance Committee.</p> <p>The Committee RESOLVED to:</p> <ol style="list-style-type: none"> a) Recommend to the CPCA Board that a new independent member was appointed to sit on Audit Committee for a period of four years which may be renewed up to a maximum of one further term (i.e. total maximum 8 years). b) Recommend that the CPCA Board agrees to delegate to the Executive Director of Resources and the Monitoring Officer, in consultation with the Chair of the Audit and Governance Committee, authority to finalise the draft role description, skills, competencies and person specification attached as Appendix 1 and to approve the advert. c) Recommend to the CPCA Board that the recruitment of the new Independent Member be led by a panel consisting of the Chairman of the Audit and Governance Committee and three members of the three main political parties of the committee supported by the Executive Director of Resources and the Monitoring Officer. <p>Following the recruitment process, a report to formally appoint the Independent Member would be presented to a future CPCA Board meeting</p>
10	<p>Work Programme</p>
	<p>The Committee received the report which requested they review and approve the work programme.</p> <p>The Committee discussed whether they should consider making a recommendation to change the constitution to remove the signing off of the accounts from the Audit and Governance's committee's terms of reference. The Committee agreed a report should be brought back to a future meeting in the new year for them to consider the options including an officer recommendation.</p> <p>The Committee RESOLVED to:</p> <ol style="list-style-type: none"> a) Reschedule the December meeting to the 28th November to sign off the 22/23 accounts. b) Approve the work programme <p>ACTION:</p> <p>A report to be brought to a future meeting with options around amending the constitution on the signing of the accounts.</p>

11	Exclusion of the Press and Public
	<p>It was resolved that the press and public be excluded from the meeting when the committee considered the exempt appendices on the grounds that they contained exempt information under Part 1 of Schedule 12A the Local Government Act 1972, as amended, and that it would not be in the public interest for this information to be disclosed. The public interest in maintaining the exemption was deemed to outweigh the public interest in its publication.</p>
12	Corporate Risk Register
	<p>The Committee received the report which requested they review the Corporate Risk Register.</p> <p>The Committee were assured that the risks related to the improvement work especially in regard to the embedding of culture would be incorporated into the embedding the improvement journey risk going forward.</p> <p>The Committee RESOLVED to:</p> <ul style="list-style-type: none"> a) endorse the Corporate Risk Register and Heatmap b) note that the annual risk appetite statement exercise had taken place c) undertake a deep dive into cyber security in closed session.
13	Date of Next Meeting
	<p>15th October – Development Session 8th November – 10am Huntingdonshire District Council</p>

Chairman at the meeting on Thursday, 26 September 2024