



Audit & Governance Committee

Thursday 20 June 2024

Venue:	CPCA Meeting Room, Pathfinder House, Huntingdon PE29 3TN	
Time:	10.00 to 12:43pm.	
Present:	Cllr C Christy Cllr P Hodgson-Jones Cllr M Smart Cllr D Brown Cllr A Whelan Mr John Pye Mr David Harwood	Fenland District Council Huntingdonshire District Council Cambridge City Council East Cambs District Council Cambridgeshire County Council Independent Person and Chair Independent Person
Officers in attendance	Janice Gotts Rob Emery Louisa Simpson Edwina Adefehinti Nathan Bunting Dan Harris Dan Cooke Anne Gardiner	Executive Director for Resources Assistant Director Finance Strategic Funds Programme Lead Interim Head of Legal, Governance & Monitoring Officer Project Manager Internal Auditor (RSM) External Auditor (EY) Governance Manager

Minutes:

1	Apologies for Absence and Declarations of Interest
1.1	Apologies were received from Cllr Harvey, Cllr Wilson substituted by Cllr Whelan, Cllr Todd Jones substituted by temporary substitute Cllr Smart, Cllr Hogg. The Chair advised that the CEO Rob Bridge had sent his apologies for this and the next meeting; the Chair and CEO would meet in the next week or so.
2.	Declarations of Interest
2.1	No disclosable interests were declared.
3.	Chair's Announcements
3.1	The Chair welcomed the new members of the Committee including the new Independent Member David Harwood.
3.2	The Chair advised that the CPCA Member Induction session had been held earlier that week with low numbers in attendance. He encouraged members to attend all induction and development sessions in future if they were able to do so.
4	Election of Vice Chair
4.1	The Chair requested nominations for the position of Vice Chair for the municipal year 24/25.
4.2	Cllr Christy proposed Cllr Wilson seconded by Cllr Brown. Cllr Wilson was elected Vice Chair for the Committee for the municipal year 2024/25.

5	Minutes
5.1	The minutes of the meeting held on the 8 th March were approved as a correct record.
5.1	The action log was noted.
5.2	The Assistant Director for Finance advised that a report would be circulated to members after the meeting to provide an update on the CPCA business continuity arrangements.
6	Improvement Plan
6.1	The Committee received the report. This provided A&G with an opportunity to review the progress made in the improvement programme, Phase 3, to address the concerns set out in the Best Value Notice dated January 2024
6.2	<p>The following points were raised during the discussion:</p> <ul style="list-style-type: none"> • In response to a question, the External Auditors advised that they still had concerns around value for money in regard to governance but noted the progress that had been made. There had been significant weaknesses noted that would be reviewed during the 23/24 value for money audit • The Committee were advised that in regard to the Shared Ambition work being carried out, members from all districts had been engaged and invited to workshops over the past three months. There was a working group of constituent authority officers which was helping to drive the work forward. • The Committee were advised that the current Best Value Notice for the CPCA was expire on the 31st July. • The Committee were advised that once the Best Value Notice had been lifted, the CPCA would continue to embed the changes put in place as there was a duty of continuing improvement; the Independent Improvement Board was in place until the end of financial year.
6.2	<p>The Committee RESOLVED to:</p> <ol style="list-style-type: none"> a) Note the progress in March against the identified areas of ongoing concern set out in the Best Value Notice received in January 2024. b) Note the update from the Chair, Independent Improvement Board, following their meeting held on 7 May 2024
7	Corporate Risk Register
7.1	The Committee received the report which requested the Committee note the Corporate Risk Report including the Register, Dashboard and Heat Map, together the update on progress of the Risk Software implementation and the actions in response to the Internal Audit recommendations. Members also considered the proposed risk deep dives for upcoming meetings.
7.2	<p>The following points were raised during the discussion:-</p> <ul style="list-style-type: none"> • In response to a question about cyber security risk and business continuity for the CPCA, officers advised that the risk level reflected the controls that were in place and which were under continual review.. • The Committee asked if there was any data on the effectiveness of the controls; officers advised they would look into this and provide feedback to members. • In response to a question about the new risk software being used, officers advised that all changes to current risks were notified to the risk owners and any changes made were captured by the system.

	<ul style="list-style-type: none"> • In response to a question about the level of training staff received in relation to cyber security threats, the Monitoring Officer advised that training had been provided for members and that staff received regular emails to keep them updated on changes in law and for information. There was also dedicated hub where staff could review policies and protocols. • The Committee requested that they review the cyber security risk later in the year and this be added to the work programme. • The Committee discussed the deep dives proposed and agreed that in July they should focus on Culture & Governance, and that Future funding and viability should be scheduled for a later meeting.
7.3	<p>The Committee RESOLVED to:</p> <ol style="list-style-type: none"> a) To note the May 2024 Corporate Risk Report including the Register, Dashboard and Heat Map b) To note the update on progress of the Risk Software implementation c) To note the proposed risk deep dives for upcoming meetings
7.4	<p>ACTION:</p> <ol style="list-style-type: none"> 1) Committee to receive a report on cybersecurity risk later in the year.
8.	External Audit
8.1	The Committee received the interim commentary on the Value for Money (VFM) arrangements for CPCA for 22/23.
8.2	<p>The following points were raised during the discussion:-</p> <ul style="list-style-type: none"> • In response to a question about whether the management response that work was ongoing was a sufficient, the External Auditors advised that this did address the issue raised relating to an error within the accounts payable system. • In response to a question about the unaudited accounts for 22/23 and the impact on opening balances for the 23/24 accounts, the External Auditors advised that they were waiting on some guidance which had been delayed due to the election. • The Committee discussed how best to communicate to members of the public that the organisation would not be audited for 22/23 and to ensure that the message was consistent.
8.3	The Committee RESOLVED to note the report.
9	Internal Audit
A	Progress Report
9.1	The Committee received the report from the Internal Auditors which provided the progress update.
9.2	The Committee expressed its concern about the qualified assurance on the governance of trading companies by the CPCA, as this was a long standing weakness. They requested that the Mayor, as the Chair for the Investment Committee, together with the lead officer, be invited to a future A&G meeting.
B	Annual Report
9.3	The Committee received the report which provided the draft annual internal audit opinion.
9.4	The Committee queried how usual it was to have three qualified opinions in a row and the Internal Auditors advised that it was not unheard of but it wasn't common. This point would be included in

	<p>the Chair's Foreword to the Annual A&G Report</p> <p>The Committee discussed how they usually only received summaries on the audit reports but further information would be provided as part of the audit reporting tracker that would be provided at a later meeting.</p>
9.5	The Committee RESOLVED to note the report.
10.	Constitution Amendments
10.1	The Committee received the reports which sought the Committee's views and approval on the draft changes to the constitution below.
A	Officer Delegations
10.2	<p>The Committee RESOLVED to:-</p> <ul style="list-style-type: none"> a) Recommend to the Combined Authority Board that delegations detailed within the report were approved for the Chief Executive Officer ("CEO") b) Recommend to the Combined Authority Board that delegations detailed within the report were approved for the Assistant Director Human Resources ("ADHR")
B	Appointment to Outside Bodies.
10.3	<p>The Committee RESOLVED to:</p> <ul style="list-style-type: none"> a) recommend the protocol attached as Appendix 1 should be adopted by the Combined Authority. b) recommend to the Combined Authority Board to agree the protocol which should be included in the constitution.
11.	Audit Reporting
11.1	The Committee received the report which invited them to consider whether to receive regular summaries of progress in response to Internal Audit recommendations. This would include the recommendations from both the Internal Audit Programme and on the actions arising from internal audit work commissioned by officers for management purposes.
11.2	<p>The Committee RESOLVED to:</p> <ul style="list-style-type: none"> a) Receive reports on the progress against all Internal Audit recommendations from concluded audits on a quarterly basis, starting at the July 2024 meeting.
12.	Independent Person Allowance
12.1	The Committee received the report which invited them to consider whether both Independent persons should receive the same allowance
12.2	<p>The following points were raised during the discussion:-</p> <ul style="list-style-type: none"> • The Committee were advised that there were two Independent Persons who were used to deal with member code of conduct complaints; officers would utilise whichever Independent Person was available however, it was felt that there was no longer a need to have a lead and a reserve but having two available was prudent. • The Committee queried how clear the roles of the Independent Person were and requested that a review of the Independent Persons roles be brought back to the Committee in September.

12.3	The Committee RESOLVED to: <ul style="list-style-type: none"> a) recommend to the Combined Authority Board to agree that both Independent Persons should receive the same allowance. b) Receive a report on the roles of the Independent Person in September 2024
13.	Performance Framework
13.1	The Committee received the report which requested that they note the progress made in the implementation of the Performance Management Framework and next steps.
13.2	The following points were raised during the discussion:- <ul style="list-style-type: none"> • In response to a question about how the community was being engaged with the performance management information, officers advised that accountability to the public was a core principle of the framework; the project dashboard had been created to enable people to explore what is happening in their areas. The feedback from social media platforms was helping to indicate areas where further development was required. • All projects on the dashboards were linked through the golden thread to the Corporate Strategy for the CPCA. Staff had received training and the LEAP (Learning, Excellence, Achievement, Performance) reviews were being set against the objectives for their directorates through to the strategic framework. • The Balance Scorecards included a RAG rating, as well as high level summaries and detailed charts to allow the drilling down of specific areas of interest. • Officers advised that the full implementation of the framework could be reported back to the Committee in March 2025. The Committee requested that they receive a progress report on the implementation in December.
13.3	The Committee RESOLVED to note the report.
14.	A&G Annual Report
14.1	The Committee received the report which requested the Committee to review the draft A&G Annual report and approve to recommend it to the CA Board.
14.2	The Committee RESOLVED to: <ul style="list-style-type: none"> a) Approve the Annual report for CA Board.
15.	Audit & Governance Work Programme
15.1	The Committee received the report which provided the draft work programme for the municipal year 24/25.
15.2	The Committee RESOLVED: <ul style="list-style-type: none"> a) To note the draft work programme for the Audit and Governance Committee for the 2023/24 municipal year attached at Appendix 1
16.	Date of Next Meeting
16.1	9 th July 10am – Development Session (virtual) 18 th July at 10am at CPCA Meeting Room HDC.