

Meeting of:	Governance and Audit Committee
Date of Meeting:	Monday, 12 December 2022
Relevant Scrutiny Committee:	Corporate Performance and Resources
Report Title:	Governance and Audit Committee Self-Assessment of Knowledge & Skills
Purpose of Report:	To set out the self-assessment questionnaire feedback provided by Government and Audit Committee Members to inform the development of a learning and development plan for the Committee.
Report Owner:	Head of the Regional Internal Audit Service
Responsible Officer:	Head of Finance & Section 151 Officer
Elected Member and Officer Consultation:	No Elected Members have been consulted. Legal Services and Head of Finance.
Policy Framework:	The proposals in this report are in accordance with the policy framework and budget.
<p>Executive Summary:</p> <ul style="list-style-type: none"> Establishing a training programme and ongoing support for Governance and Audit Committee members is essential to ensure that they can confidently and effectively discharge their responsibilities. A self-assessment questionnaire, based on the CIPFA publication 'Audit Committees – Practical Guidance for Local Authorities & Police', was circulated to members of this Committee in order to assess the existing skills, knowledge and areas of expertise of members and to identify any gaps or training requirements. 89% of responses from members of this Committee indicated that their level of knowledge and experience across the 10 statements, as shown in Appendix A, was good or satisfactory. The areas where little knowledge or experience was indicated as highest were Complaints Handling and Council Performance Self-Assessment. The results indicate that Governance and Audit Committee members have an overall sound base of knowledge and experience in the areas of responsibility for this Committee. 	

- The questionnaire also asked Governance and Audit Committee members to indicate what knowledge and skills they had which will add value to the work of the Committee. The information received indicated that there is experience and knowledge, at varying levels, across all key areas.
- This information can now be used to inform the compilation of a programme of learning and development for the Governance and Audit Committee.

Recommendations

1. That members of the Governance and Audit Committee review the self-assessment questionnaire feedback information and discuss and confirm the learning and development areas required. , consider any other areas and instruct
2. Officers draft a learning and development plan reflecting the views of the Committee.

Reasons for Recommendations

1. To support the ongoing development and effectiveness of the Governance and Audit Committee in line with its Terms of Reference.

1. Background

- 1.1 Establishing a training programme and ongoing support for Governance and Audit Committee members is essential to ensure that they can confidently and effectively discharge their responsibilities. Exact needs will depend on the composition of the committee and members' existing knowledge and experience.
- 1.2 A self-assessment questionnaire, based on the Chartered Institute of Public Finance (CIPFA) publication 'Audit Committees – Practical Guidance for Local Authorities & Police, was circulated to members of this Committee in order to assess the existing skills, knowledge and areas of expertise of members and to identify any gaps or training requirements.
- 1.3 This skills and knowledge self-assessment questionnaire has been completed by most members and the results will assist in developing a learning and development plan.

2. Key Issues for Consideration

- 2.1 The Governance and Audit Committee Members were requested to consider ten statements and to indicate whether their level of knowledge / experience was either 'good ', 'satisfactory' or 'little' knowledge in relation to each.
- 2.2 The Self-Assessment Questionnaire is attached at Appendix A and the responses from the eight returned questionnaires are at Appendix B and have been summarised below.
- 2.3 The feedback results include:
 - 89% of responses from members of this Committee indicated that their level of knowledge and experience was reasonable.

- The areas where little knowledge was indicated as highest were:
 - statement 10, Complaints Handling (38%)
 - statement 9, Council Performance Self-Assessment (25%)
- There were three statements where all 8 members indicated they had good or satisfactory knowledge, these were:
 - Governance and Audit Committee Role and Functions
 - Internal Audit
 - External Audit
 - Risk Management
- There were four statements where one member of the Committee indicated they had little knowledge / experience, these areas were:
 - Organisational Knowledge
 - Financial Management and Accounting
 - Counter Fraud
 - Values of Good Governance

2.4 The results indicate that Governance and Audit Committee members have an overall sound base of knowledge and experience in the areas of responsibility for this Committee

2.5 The questionnaire also asked Governance and Audit Committee members to indicate what knowledge and skills they had which will add value to the work of the Governance and Audit Committee.

2.6 The table below provides a summary of the feedback received in respect of areas of knowledge / skills.

Table 1 – Areas of Knowledge / Skills

Knowledge Area	No. of Responses	
	Yes	No
Accountancy	3	5
Internal Audit	4	4
Risk Management	2	6
Governance and Legal	3	5
Service and Organisational Knowledge	4	4
Programme and Project Management	2	6
IT Systems and IT Governance	3	5
Other		
CIPS qualified Procurement Specialist		

2.7 The self-assessment questionnaire has indicated that there is experience and knowledge, at varying levels, across all key areas.

2.8 This information can now be used to inform the compilation of a programme of learning and development for the Governance and Audit Committee. It is

proposed the following areas form the basis of the plan noting this is a live document and will be subject to review by the Committee on an on-going basis.

- Complaints Handling
- Council Performance Self-Assessment
- Organisational Knowledge
- Financial Management and Accounting
- Counter Fraud
- Values of Good Governance

2.9 Subject to Governance and Audit Committee consideration of the proposed next steps, Officers will draft a learning and development plan for reporting to the next meeting for review and, if deemed appropriate, sign off.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

Improved knowledge, skills and experience will increase the positive contribution that the Committee makes to both short and long-term service improvement and the Council's Well-Being Objectives.

4. Climate Change and Nature Implications

4.1 None as a consequence of this report

5. Resources and Legal Considerations

Financial

5.1 There are no resource implications as a direct consequence of this report.

Employment

5.2 None as a direct consequence of this report.

Legal (Including Equalities)

5.3 The provision of an adequate and effective Internal Audit function is a legal requirement under the Accounts and Audit (Wales) Regulations 2014 as amended from time to time. There are no equalities implications as a direct consequence of this report.

6. Background Papers

None

Governance and Audit Committee

Members Knowledge and Skills Self-Assessment Questionnaire

Please place an X in **ONE** of the columns shaded blue, for each of the numbered statements 1 to 10 below.

Name of Committee Member :

	Statement	I have good knowledge and experience of this	I have satisfactory knowledge and experience of this	I have little knowledge or experience of this	Any Comments
	Organisational Knowledge				
1.	Knowledge of the governance structure of the authority (including the Annual Governance Statement), decision-making processes, the Council’s objectives and its major functions.				
	Governance and Audit Committee Role and Functions:				
2.	An understanding of the Governance and Audit Committee’s role and place within the governance structures, its terms of reference and accountability arrangements.				
	Internal Audit:				
3.	An understanding of the purpose of the Council’s Internal Audit Service and its responsibilities to the Governance and Audit Committee.				

	Statement	I have good knowledge and experience of this	I have satisfactory knowledge and experience of this	I have little knowledge or experience of this	Any Comments
	Financial Management & Accounting:				
4.	Awareness of the financial statements that a local authority must produce and the principles it must follow to produce them, and the role the Governance and Audit Committee plays in reviewing the Council's draft financial statements.				
	External Audit:				
5.	Knowledge of the role and functions of the external auditor and the responsibility it has to the Council's Governance and Audit Committee.				
	Risk Management:				
6.	Understanding of the risk management arrangements in place within the Council and the role of Governance and Audit Committee in overseeing these arrangements.				
	Counter Fraud:				
7.	An understanding of the main areas of fraud and corruption risk to which the Council is exposed, knowledge of the Council's arrangements for tackling fraud and awareness of good fraud risk management practice.				
	Values of Good Governance:				
8.	Knowledge of the authority's key arrangements to uphold ethical standards for both members and staff (including knowledge of the 7 principles of public life) and knowledge of whistle-blowing arrangements within the Council and Financial and Contract Procedure Rules.				

	Statement	I have good knowledge and experience of this	I have satisfactory knowledge and experience of this	I have little knowledge or experience of this	Any Comments
	Council Performance Self-Assessment				
9.	Understanding of the Council's Performance Self-Assessment and independent Panel Performance Assessment responsibilities and the role of the Governance and Audit Committee in reviewing and challenging the outcome of these assessments.				
	Complaints Handling				
10.	Understanding of the Council's arrangements for handling complaints and the role of the Governance and Audit Committee in reviewing and assessing the effectiveness of the arrangements in place.				

Are there any other areas of support / advice that you consider would help you in discharging your role as a member of the Council's Governance and Audit Committee?

Which knowledge areas below) do you have experience in that will add value to the work of the Governance and Audit Committee?
(Please place an X for any that apply)

Accountancy	<input type="checkbox"/>	Service and organisational knowledge relevant to the functions of the organisations	<input type="checkbox"/>
Internal Audit	<input type="checkbox"/>	Programme and project management	<input type="checkbox"/>
Risk Management	<input type="checkbox"/>	IT Systems and IT Governance	<input type="checkbox"/>
Governance and Legal	<input type="checkbox"/>	Other (please specify)	<input type="checkbox"/>

VALE OF GLAMORGAN COUNCIL - GOVERNANCE& AUDIT COMMITTEE - ANALYSIS OF THE KNOWLEDGE & SKILLS SELF ASSESSMENT QUESTIONNAIRE

	Good Knowledge	Satisfactory Knowledge	Little Knowledge	Total	Any Comments
1. Organisational Knowledge	2	5	1	8	For most of these points, since I am new to the council, in time I will have more experience. Newly elected councillor.
2. Governance and Audit Committee Role and Functions	4	4		8	I have an understanding but limited experience as already stated.
3. Internal Audit	4	4		8	Purpose – yes; how it is discharged is still a little unclear to me based on meetings to date and what has been presented.
4. Financial Management and Accounting	3	4	1	8	
5. External Audit	3	5		8	
6. Risk Management	1	7		8	My knowledge of risk management is “good”; as with Internal Audit, how it works in the Council and the role of the Committee in relation to it isn’t clear yet.
7. Counter Fraud	1	6	1	8	
8. Values of Good Governance	4	3	1	8	I have read the Councils Financial and Contract Procedure Rules. Unsure what the key arrangements are.
9. Council Performance Self-Assessment	1	5	2	8	Some knowledge of this but more may be useful. Limited experience
10. Complaints Handling	1	4	3	8	Some knowledge of this but more may be useful Limited experience of this Councils arrangements, although have external experience

All comments received

I do not have any issues at this present time that I would wish to have help and advice, but obviously I would and will make contact to seek this help and support when necessary.

From an independent members perspective, some of the materials (not all) provided to the Committee as agenda items is highly detailed and at times unnecessarily technical. This puts a significant strain on Committee members to digest, interpret and challenge key points in an effective and constructive matter, with time often spent on understanding the minutiae instead. Clearer, concise papers tailored to the GAC would be of great help

Unsure other than time to develop experience of this role. NB – As there are 3 lay members (inc Chair) who are auditors, so far discussions are in the main led and conducted between them. Unsure if that is how their involvement on this committee is supposed to work? I admit that I feel reluctant to speak because it is their area of expertise and not mine.