

**FINANCE, AUDIT AND RISK COMMITTEE**  
**21 JUNE 2023**

**PART 1 – PUBLIC DOCUMENT**

**TITLE OF REPORT: PEER SUPPORT ACTION PLAN (FINANCE, AUDIT AND RISK COMMITTEE)**

REPORT OF: SERVICE DIRECTOR: RESOURCES

EXECUTIVE MEMBER: LEADER OF THE COUNCIL

COUNCIL PRIORITY: SUSTAINABILITY

**1. EXECUTIVE SUMMARY**

The Council commissioned the Local Government Association to provide peer support in relation to the impact and effectiveness of the Overview and Scrutiny Committee and the Finance, Audit and Risk Committee. The peer support process took place during 2022 and was a combination of a desktop review, watching meeting videos and talking to relevant Members and Officers. A report was provided to the Council in January 2023 with their findings and recommendations. This report considers the recommendations in relation to the Finance, Audit and Risk Committee.

**2. RECOMMENDATIONS**

- 2.1. That Finance, Audit and Risk Committee comment on the draft Action Plan, and refer it to Cabinet to be approved.
- 2.2.

**3. REASONS FOR RECOMMENDATIONS**

- 3.1 To ensure that the Council responds to the matters identified within the peer support report, ensuring that the benefits of that process are realised.

**4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1. The 'do nothing' option of not creating an action plan to follow up on the report has been discounted, as the Council committed to receive the peer support and should therefore seek to gain benefit from that process.

**5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS**

- 5.1. The LGA Peer Committee Support report is attached at Appendix A and details the approach taken, and who was involved in the process.
- 5.2. Following the receipt of the report, Officers and Executive Members have developed an action plan. The Finance, Audit and Risk Committee are asked to consider and comment on the action plan.

## 6. FORWARD PLAN

- 6.1 This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

## 7. BACKGROUND

- 7.1. The background to this report is set out in the background section of the LGA Peer Committee Support report (Appendix A).

## 8. RELEVANT CONSIDERATIONS

- 8.1. The table below sets out the recommendations from the LGA report, and proposed actions. In the final column, the text in bold sets the target dates for the proposed actions. In some cases the actions have already been completed, or will have been completed by the time this report is considered by the Committee.

Recommendation	Comment/ Proposed Action	Ownership	Additional information and target completion date
Put into place training for the whole council and experiment with how training could be more effective for the 2024 new intake. Including an introduction to local government finance.	Will be incorporated within the member training programme being developed.	Democratic Services Member Champions Learning + Development	7 <sup>th</sup> June 2023- member induction session covering Finance and Risk. All Councillors invited to attend.  <b>7<sup>th</sup> June 2023 and review in determining 2024 training programme.</b>
Consider how the provision of all committee development & training can be improved to increase knowledge transfer and support members with ongoing training needs e.g. use of one-to-one coaching, the provision of feedback from live meetings, further training to fill any gaps in knowledge and skills.	Will be incorporated within the member training programme being developed (see above).  Message to go out that it is ok to ask the Service Director: Resources (Chief Finance Officer) for help with development applicable to all committees, not just FAR.	Democratic Services Member Champions Learning + Development	The regular training sessions before FAR meetings will be continued. Where there is likely to be wider interest, they will be made available to all Councillors via zoom. First one on 21 <sup>st</sup> June 2023.  To be used to emphasise that additional support and advice is also available as required.  <b>21<sup>st</sup> June onwards</b>

Recommendation	Comment/ Proposed Action	Ownership	Additional information and target completion date
<p>Split finance scrutiny from audit and risk. The scrutiny of finance should sit with a scrutiny committee rather than in the audit and risk committee.</p>	<p>The reasons behind the recommendation are understood but considered to be premature.</p> <p>Given the various recommendations that need to be implemented in respect of Overview and Scrutiny Committee it is perhaps not the best time to be giving the committee additional work.</p> <p>Equally the introduction of an independent member and the various recommendations that need to be implemented in respect of Finance, Audit and Risk Committee, should improve and enhance that Committee.</p> <p>This recommendation will therefore be revisited in 18 months as part of a wider review of structures post 2024 election.</p>	<p>Leader Deputy Leader Managing Director Service Director: Legal and Community Service Director: Resources</p>	<p>No actions currently as subject to review</p>
<p>After the audit and risk function had been split from the finance (scrutiny) role, the new audit committee should focus on understanding their audit role and undertake a self-assessment of the role of an effective audit committee.</p>	<p>To be considered as part of the wider review of structures post 2024 election.</p>	<p>As above</p>	<p><b>N/a, at this time</b></p>



Recommendation	Comment/ Proposed Action	Ownership	Additional information and target completion date
<p>Enhance the status of a new audit &amp; risk committee.</p>	<p>Though there will not be an additional Audit and Risk Committee at this time, we do need to enhance the status of the current committee. Group Leaders asked to explain importance of the role to the appointments they make to FAR.</p> <p>SD Resources to draft a form of words for the Chair to read out at the first meeting of FAR in the new civic year to explain its purpose and importance.</p> <p>Description of the committee on the website to be reviewed as currently under-sells the committee.</p>	<p>Group Leaders SD Resources</p>	<p>Will already have happened, but FAR members to consider the role that they can play in promoting the committee.</p> <p><b>21<sup>st</sup> June 2023</b></p> <p><b>Complete</b>, updated on this FAR page under Meetings. Agendas and Minutes.</p>
<p>Consider an easier way for members to view the risk register.</p>	<p>The risk register is accessible with a user name and password, however will consider different access options and re-promote to make clear it is available to all Members, not just those on the committee.</p>	<p>Service Director: Resources</p>	<p>Will be promoted as part of the Finance and Risk training on 7<sup>th</sup> June 2023, and then promoted in the Members Information Service bulletin.</p> <p><b>30<sup>th</sup> June 2023</b></p>
<p>Support members with better understanding of the council's risks.</p>	<p>Agreed. Training on risk will take place after the May 2023 election and in advance of the first committee meetings, particularly where the issues are cross cutting.</p> <p>Thereafter will be incorporated within the member training programme being developed.</p>	<p>Democratic Services Member Champions Learning + Development Service Director: Resources</p>	<p>7<sup>th</sup> June 2023- member induction session covering Finance and Risk. All Councillors invited to attend.</p> <p><b>7<sup>th</sup> June 2023 and review in determining 2024 training programme.</b></p>



Recommendation	Comment/ Proposed Action	Ownership	Additional information and target completion date
Minutes to reflect the decisions of the meeting – i.e., requests for agenda items to be in the minutes and added to the forward plan.	Committee services will make sure everything is accurately captured.	Committee Services	Each FAR meeting will have a discussion of future agenda items, but mindful of the role of Overview and Scrutiny Committee.  <b>21<sup>st</sup> June 2023 onwards</b>
Conduct a skills audit of all members at induction training to support groups in making appropriate appointments to committees.	Agreed. For Group leaders to take forward with their groups.  Will also be used to inform the member training programme being developed.	Group leaders	To form part of the first FAR training session to inform future training  <b>21<sup>st</sup> June onwards</b>
Ensure that every member of the community can easily access information about council meetings.	Agreed, albeit there are currently a number of ways to access information and it is not solely digitally/online.  Reminder to be placed in Outlook about how to access information.  Committee services to consider the issue more broadly to ensure we are not accidentally disenfranchising parts of the community.	Committee Services	TBC

8.2. Finance, Audit and Risk Committee are asked to consider and comment on the proposed actions, and then to refer this report (along with any comments) on to Cabinet.

## 9. LEGAL IMPLICATIONS

9.1. Cabinet's terms of reference include at paragraph 5.6.13 "To consider the reports of external review bodies on key aspects of overall service delivery".

9.2. It is good practice for the Finance, Audit and Risk Committee to comment on an action plan that affects them. Under the constitution 10.1.5 (v) provides that "To review any issue referred to it by the Managing Director, Statutory Officer or Service Director, or any Council body and undertake such other functions that may be delegated to it from time to time by Council."

## **10. FINANCIAL IMPLICATIONS**

- 10.1. There are no direct financial implications arising from this report. Where additional training is provided then the cost of this will have to be considered, but the Council does have budget allocated for member training.

## **11. RISK IMPLICATIONS**

- 11.1. The aim of the peer support process is to improve the effectiveness of the Finance, Audit and Risk Committee (and Overview and Scrutiny Committee). An effectively operating Audit Committee helps to manage the risks that the Council faces.

## **12. EQUALITIES IMPLICATIONS**

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. There are no known equalities implications that apply to this report. Individual actions on the plan may require equalities impact assessments in due course as solutions are developed.

## **13. SOCIAL VALUE IMPLICATIONS**

- 13.1. The Social Value Act and “go local” requirements do not apply to this report.

## **14. ENVIRONMENTAL IMPLICATIONS**

- 14.1. There are no known Environmental impacts or requirements that apply to this report.

## **15. HUMAN RESOURCE IMPLICATIONS**

- 15.1 The tasks in the peer review follow-up action plan will be incorporated in to service plans for 2023/24, and some of the actions have already been completed.

## **16. APPENDICES**

- 16.1 Appendix A – LGA Peer Committee Support Report

## **17. CONTACT OFFICERS**

- 17.1 Ian Couper, Service Director Resources  
[ian.couper@north-herts.gov.uk](mailto:ian.couper@north-herts.gov.uk); ext 4243
- 17.2 Jeanette Thompson, Service Director: Legal and Community  
[Jeanette.thompson@north-herts.gov.uk](mailto:Jeanette.thompson@north-herts.gov.uk) ; ext 4370

## **18. BACKGROUND PAPERS**

- 18.1 None