

To: Audit, Risk & Scrutiny Board

On: 20 May 2024

Report by: Director of Finance & Resources

Heading: AUDIT, RISK & SCRUTINY BOARD ANNUAL REPORT 2023/24

1 Summary

- 1.1 It is important that the Audit, Risk & Scrutiny Board fully complies with best practice guidance on Audit Committees to ensure it can demonstrate its effectiveness as a scrutiny body as a foundation for sound corporate governance for the Council.
- 1.2 The Chartered Institute of Public Finance and Accountancy (CIPFA) issued an updated guidance note entitled Audit Committees Practical Guidance for Local Authorities and Police 2022 Edition, which incorporated CIPFA's Position Statement: Audit Committees in Local Authorities and Police which included the production of an annual report on the performance of the Audit Board against its remit for submission to the Council.
- 1.3 The Annual Report for the Audit, Risk & Scrutiny Board for 2023/24 is attached as an Appendix to this report for consideration by Members and provides an overview of the Audit, Risk & Scrutiny Board's activity during the period 1 August 2023 to 31 March 2024 and a summary of key developments. It sets out how the Committee has fulfilled its remit and provides assurances to the Council.
- 1.4 Due to the reporting period changing, as outlined in main report, this annual report has a reduced reporting period and will only cover seven months of activity from 1 August 2023 to 31 March 2024. Going forward, the report will be on a yearly basis using the dates specified above.
- 1.5 Members are asked to note the Annual Report for 2023/24 and agree that the report be submitted to the next meeting of the Council to be held on 27 June 2024, in line with best practice guidance.

2 Recommendations

- (a) That the Audit, Risk & Scrutiny Board Annual Report 2023/24 be noted;
 - (b) Agree that the report should be submitted to the next meeting of the Council to be held on 27 June 2024, in line with best practice guidance.
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Implications of the Report

Financial – none

HR & Organisational Development – none

Community Planning – none

Legal – none

Property/Assets – none

Information Technology – none

Equality & Human Rights - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

Health & Safety – none

Procurement – none

Risk – none

Privacy Impact – none

Cosla Policy Position – not applicable

Climate Risk – none

List Of Background Papers

CIPFA Guidance on Audit Committees for Local Authorities – October 2022.

Dargavel Primary – Independent External Review – Council 2 June 2023

Cross Party Working Group Review of Governance Arrangements – Council 29 February 2024

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To: Council

On: 27 June 2024

Report by: Director of Finance & Resources

Heading: AUDIT, RISK & SCRUTINY BOARD ANNUAL REPORT 2023/24

1 Summary

- 1.1 The purpose of this report is to provide Council with an overview of Audit, Risk & Scrutiny Board's activity during the financial year 2023/24. It sets out how the Board has fulfilled its remit and provides assurance to those charged with governance that it has fulfilled its purpose and demonstrated its impact.
- 1.2 It is important that the Board fully complies with best practice guidance on Audit Committees to ensure it can demonstrate its effectiveness as a scrutiny body as a foundation for sound corporate governance for the Council. The Chartered Institute of Public Finance and Accountancy (CIPFA) issued an updated guidance note entitled Audit Committees Practical Guidance for Local Authorities and Police 2022 Edition, which incorporated CIPFA's Position Statement: Audit Committees in Local Authorities and Police. This set out CIPFA's view of the role and functions of an Audit Committee and included guidance on the production of an annual report of an Audit Committee against its remit for submission to the Council.
- 1.3 The annual report should be timed to support the annual review of governance and preparation of the Annual Governance Statement. This enables the Board to take stock of the assurances it has received and the extent to which its own performance has contributed to governance arrangements.
- 1.4 Taking the CIPFA guidance into account, and arising from the self-evaluation development sessions, the reporting dates for this Annual Report has changed. This annual report would normally cover the period 1 July to 31 June, however, the reporting period will now be 1 April to 31 March. Because of the change-over, this particular annual report has a reduced reporting period and will only cover seven months of activity from 1 August 2023 to 31 March 2024. Going forward, the report will be on a yearly basis using the dates specified above.

- 1.5 This annual report highlights the issues considered by the Board during the period 1 August 2023 to 31 March 2024 when the Audit, Risk & Scrutiny Board met five times. The report was submitted to the Board in terms of the Council's Code of Corporate Governance.
- 1.6 At each meeting, the Board considered significant findings from Internal Audit reports together with monitoring the progress made by management in completing agreed actions to improve the Council's control environment. It also considered the status of external audit action plans arising from external audit reports received and the external audit annual plan for 2023/24 from the external auditors in March 2024.
- 1.7 At the Council's Meeting on 22 June 2023 the Council noted the content of the Independent External Review Report ("the Bowles Report") and further noted the Chief Executive's response to the findings and recommendations of the Report. This report will give a brief summary of events and details the actions arising from the report relative to the Audit, Risk & Scrutiny Board.
- 1.8 In response to the Independent Review and recommendations made by the Council's external auditors, the Council agreed to undertake a self- assessment of the Audit Risk and Scrutiny Board against CIPFA's published good practice guide for audit committees. At the Audit, Risk and Scrutiny Board meeting on 6 November 2023, the Board agreed the format of the self-assessment and members participated in two development sessions on 19 January and 26 February 2024.
- 1.9 The self-assessment identified that some amendments to the governance of the Audit, Risk and Scrutiny Board was required in order to improve clarity and address some specific requirements from the CIPFA guidance. As a result, revisions have been made to the Terms of Reference, the Guidelines for the Operation of the Audit, Risk and Scrutiny Board and the Role Descriptions for Councillors, Senior Councillors and Leader of the Council.
- 1.10 Council further agreed, in response to the Dargavel Primary School Review that a Cross-Party Working Group would be set up to discuss and review existing governance arrangements and that authority would be delegated to the Head of Corporate Governance to make the arrangements for the cross-party body. The Group set its own agenda and reviewed and examined all areas of interest to it. The Group also invited officers to address them on key areas. The findings and outcomes of their review in relation to the Audit, Risk & Scrutiny Board are set out within the body of this report.

2 Recommendations

- 2.1 That the Audit, Risk & Scrutiny Board Annual Report 2023/24 be noted;
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3 **Background and Context**

3.1 Remit and Role of the Board

The Audit, Risk & Scrutiny Board is a key component of the Council's governance framework. Its purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. The Board's role in ensuring that there is sufficient assurance over governance risk and control gives greater confidence to all those charged with governance that those arrangements are effective.

The Board has oversight of both internal and external audit together with financial and governance reports, helping to ensure that there are adequate arrangements in place for both internal challenge and public accountability.

3.2 Scrutiny enables members to review decisions, policies and performance that affect the Council and helps to ensure that the services and policies meet the Council's aims and standards. The scrutiny process not only provides a means of reviewing the Council's own services but enables examination of services provided by other organisations on issues causing public concern.

3.3 In order to fulfil the remit, the Board sought assurance on the adequacy and effectiveness of the Council's systems of governance, risk management and internal control to ensure efficient operations and the highest standards of probity and accountability. This was achieved through reports received from Internal Audit, other Council functions and External Audit with focus in particular on internal control and governance.

4 **Core Functions of the Audit Committee**

4.1 The core functions of the Audit, Risk & Scrutiny Board reflects both standard practice for audit committees across all sectors and the specific legislative and professional standards requirements for local authorities. The CIPFA Position Statement sets out the core functions of the audit committee as follows.

- Supporting the establishment and maintenance of good governance, risk management and control arrangements.
- Supporting accountability and public reporting, in particular the financial statements and the annual governance statement, and other statements that accompany the financial statements.
- Supporting the establishment and maintenance of good arrangements for internal audit and external audit.

4.2 The Audit Committee met 5 times during 2023/24 comprising meetings on 21 August, 26 September, 6 November 2023, 22 January and 18 March 2024 respectively, to consider reports relevant to the Audit cycle and other matters as deemed appropriate. Pre-Agenda meetings were also held ahead of the Board meeting involving the Convenor, Depute-Convenor and appropriate officers.

4.3 All meetings were held using the Microsoft Teams platform to allow remote participation. All Board meetings were hybrid, webcast live and made available publicly on the Council’s live-streaming website.

5 Membership of the Board and Political Balance

5.1 In accordance with Renfrewshire Council’s Standing Orders membership of the Audit Committee comprises nine Elected Members drawn from all the political parties represented on the Council, having regard to the party balance on the Council (3 Administration/6 opposition groups/parties). The quorum of the Audit, Risk & Scrutiny Board is 3 Elected Members.

5.2 The Convener is an independent member and the Depute Convener is from an opposition party. In terms of the Council’s procedural standing orders, members have been drawn from the political parties represented on the Council on a proportionate basis, having regard to party balance on the Council. It should be noted that Members of the Leadership Board and Members who are Conveners of another Board may not be members of the Audit, Risk & Scrutiny Board.

5.3 The Members of the Audit, Risk & Scrutiny Board are as follows:-

NAME	PARTY	POSITION	APPOINTED TO BOARD
Councillor Andy Doig	IND	Convener	June 2022
Councillor Janis McDonald	LAB	Depute-Convener (appointed Feb 2024)	June 2022
Councillor Jennifer Adam	SNP	Member	June 2022
Councillor Chris Gilmour	LAB	Member	June 2022
Councillor John Gray	CONS	Member	June 2022
Councillor Lisa-Marie Hughes	SPN	Member	June 2022
Councillor Robert Innes	SNP	Member	June 2022
Councillor James MacLaren	CONS	Member	June 2022
Councillor Ben Smith	LAB	Member	February 2024

5.4 CIPFA advises that “Elected Members of local authorities are part of the body charged with governance and bring knowledge of the organisation, its objectives and policies to the Audit committee”. Members with experience in scrutiny or standards offer additional knowledge of activity, risks and challenges affecting those areas. Ideally, the selection of elected members to the audit board will take account of aptitude and experience.

5.5 The Cross-Party Working Group report submitted to Council on 29 February 2024, suggested that additional support to the Board, perhaps through external independent membership, particularly from a finance/accounts background, may be appropriate.

5.6 Attendance by Officers at the Board Meetings

All Audit, Risk & Scrutiny Board meetings were attended by the Chief Auditor (except 26 September 2023), Head of Corporate Governance and the Director of Finance & Resources. Other senior officers also attended meetings as appropriate for items on the agenda for which their presence was relevant. Representatives from the Council's external auditors - Azets Scotland, the appointed external auditors, were also present at all the meeting.

6 **Governance Arrangements**

- 6.1 The Audit, Risk & Scrutiny Board is different from the Policy Boards. It is politically neutral with the Convener and Depute Convener being selected from different parties. The role of the Convener is undertaken from outwith the Administration and Party Whips do not apply. The Committee reports to the full Council.
- 6.2 There are a wide-ranging set of arrangements to support the running of the Council in place and these are reassessed each year by Internal Audit and reported through the Board. It should be noted that the Council's external audit arrangements have never flagged any material issues with governance arrangements in the Council, however, there are always opportunities to improve and strengthen governance arrangements.
- 6.3 The Terms of Reference for the Board differ as there is no general delegation on specific service performance monitoring. The Board has specific delegations:-
- Audit: Including acting as the Council's Audit Committee
 - Corporate Governance: The Council's code of corporate governance
 - Risk Management: Including approval of the risk management strategy
 - Monitoring and Reviewing Service Delivery Performance, Policies and Practices
 - Community Leadership through Monitoring of Other Public Bodies
 - Standards and Ethics: in relation to Elected Members
 - Written Intimations: Specific requests from Members of the Board
- 6.4 The Board, at the meeting held on 18 March 2024 considered a report which highlighted the outcome from the two development sessions and identified the revisions to be made to the Terms of Reference, the Role Descriptions for Councillors, Senior Councillors and Leader of the Council and changes to the Guidelines for the Operation of the Audit, Risk and Scrutiny Board, which took in the suggestion by the Cross Party Working Group, to include the option for the Board to appoint up to 2 individuals as non-voting lay members. Details of all the governance changes are outlined within the report [CIPFA Audit Committee Guidance – Self Assessment and Action Plan](#), submitted to the Audit, Risk & Scrutiny Board on 18 March 2024.

6.5 Two aspects of the current Audit, Risk and Scrutiny Board Terms of Reference were identified that would be better considered by another Board or by Council.

- It was felt that the consideration of the quarterly absence statistics and the annual report in relation to absence would be better considered by the Finance, Resources and Customer Services Policy Board. This change could be achieved without any amendment to the Policy Board Terms of Reference, as these reports could be considered under clause 13. “To provide oversight and review of the Council’s workforce planning, organisational development and human resource strategies and plans” and clause 27. “To approve and oversee policies in relation to health, safety and welfare of Council employees and service users for whom they are responsible”.
- Members also expressed a view that the annual report from the Standards Commission would be better considered by the full Council. Again, no change would be required to the Scheme of Delegated Functions other than the amendment already set out within the revised document.

7 Dargavel Primary School Independent Review and Accounts Commission Section 102 Report for School Accommodation for Dargavel Village

7.1 The findings of the independent review into the circumstances of the errors in planning and delivery of primary school provision in the Dargavel area were reported to Council in June 2023. At the same meeting, a further report was presented outlining the initial high level Council response to the recommendations of the independent review.

7.2 Subsequent to the initial high-level response provided at the June Council meeting immediately after the report publication, a more detailed range of specific actions were developed over the summer period by officers which were actively progressed at pace.

7.3 As part of the Council’s wider governance arrangements, the Audit, Risk and Scrutiny Board considered a report on 6 November 2023 in relation to the actions identified by the Council and the headway achieved to progress them. It was noted that many of the actions had already been approved through an appropriate policy board and that the Council’s response to the independent review recommendations had been considered in detail by the Council’s external auditors and reported on as part of the annual audit report. It was further noted that the actions outlined within the report had been incorporated into the regular risk reporting arrangements in place for the Audit, Risk & Scrutiny Board and that regular reports on progress would also be provided to future Board meetings.

- 7.4 At the Audit, Risk & Scrutiny meeting held on 22 January 2024, a report was considered advising Members that the Council had been informed that the Controller of Audit had decided to use the reporting powers available to her under s102 (1) of the Local Government (Scotland) Act 1973 to bring the Dargavel issue, and the action the Council was now taking in response to the Bowles report, to the attention of the Accounts Commission. The report also provided an update and further detail on the actions the Council had taken, and plans to take, in addressing the recommendations within the Independent Review.
- 7.5 At the Audit, Risk & Scrutiny meeting held on 18 March 2024, a report was submitted in relation to Dargavel advising Members of several developments:
- (i) that a SMART action plan had been developed detailing the Council's response with a commitment that updates on the plan would be provided to the Audit, Risk & Scrutiny Board going forward.
 - (ii) That the Council's Meeting of 29 February 2024 had considered the Account Commission's report and agreed a number of actions and that those actions would be incorporated into the independent review response monitoring arrangements reported to this Board.
 - (iii) The Cross-Party Working Group had concluded their findings and had set out a detailed action plan.
- 7.6 A copy of the report which went to the Audit, Risk & Scrutiny Board on 18 March 2024 is available with here - [Actions Monitoring Report - Dargavel Primary School Independent Review and Accounts Commission Section 102 Report for School Accommodation for Dargavel Village](#).

8 **Audit, Risk & Scrutiny Board Activity and Issues considered by the Board during 2023/24**

- 8.1 Audit of Accounts - The Board at the meeting held on 6 November 2023 considered a report relative to the audit of the Council's 2022/23 accounts. The report intimated that the 2022/23 unaudited Annual Accounts were approved at the meeting of the Council held on 22 June 2023. Each year the Council's appointed external auditors carry out an audit of the Council's financial statements and provide an opinion as to whether the statements provide a true and fair view of the financial position of the Council and its income and expenditure for the year; and whether they had been prepared in accordance with the relevant regulations.

The report advised that there were two changes made to the annual accounts over the course of the audit in relation to the pension fund disclosures and the revaluation of properties. Other minor and presentational changes were also agreed.

8.2 Annual Internal Audit Plan 2024/25 – The Board at the meeting held on 18 March 2024 agreed a risk-based internal audit plan for 2024/25. The plan considered the outcomes of the internal corporate and service risk identification and evaluation processes, and the current business environment. In addition to undertaking work which would provide assurance on the robustness of key internal controls, the plan sought to reflect the key priorities and challenges for the Council.

The report set out the methods that had been employed to facilitate production of the Plan and the influencing factors that had been considered in the assessment of the current business environment and the priority areas of audit.

Progress on the 2023/24 annual audit plan and summaries on the findings and conclusions of each audit assignment were reported to the Board on a quarterly basis.

8.3 External Audit and External Audit Plan 2023/24 – The Board at the meeting held on 18 March 2024 considered a report which outlined Azets' approach to the audit of the 2023/24 annual accounts and the Coats Observatory to assess whether they provided a true and fair view of the financial position of the Council, and whether they had been prepared in accordance with proper accounting practice. The plan outlined the responsibilities of Azets and the Council, their assessment of key challenges and risks and the approach and timetable for completion of the 2022/23 audit.

At the meeting of the Board on 6 November 2023, Azets, the External Auditor, submitted a Best Value Thematic report as part of the annual audit process. The report noted that the last formal report on best value activities in Renfrewshire had been published in 2017 and was undertaken by previous external auditors Audit Scotland. Regular reports on follow-up best value audit activities were reported to the Audit Risk and Scrutiny Board as part of the annual audit reporting process. In March 2023, the Accounts Commission announced a new approach to auditing best value in local authorities. This ensured compliance against the statutory duty but was now fully integrated within the annual audit undertaken each year. Detailed best value work was also carried out each year around a particular theme selected nationally, with findings collated into a national report. The report noted that this was the first year that this process had been undertaken in relation to Renfrewshire Council.

8.4 Internal Audit Findings – The Board considered quarterly reports on the findings of internal audit in terms of national guidance produced by CIPFA on the implementation of audit committee principles in Scottish local authorities, in line with which internal audit submitted regular reports on the findings of audit work to the Board based on the work of internal audit and detailing the key issues arising.

- 8.5 Internal Audit and Counter Fraud Progress and Performance – The Board considered regular reports which detailed progress and performance in terms of delivery of the audit plans for the internal audit and counter fraud teams. The Director of Finance & Resources had set annual targets to demonstrate continuous improvement. In terms of counter fraud, due to the diverse nature of fraud referrals, no formal performance targets had been established and the outcomes from investigations were monitored and reported on a regular basis by the Council's management.
- 8.6 Audit Scotland Reports – during the period covered by this report, there were three reports submitted from Audit Scotland: Local Government in Scotland – Financial Bulletin 2022/23; National Fraud Initiative 2020/21; Renfrewshire Council Housing Benefit Performance Audit; and Local Government in Scotland Overview 2023. Each report highlighted key points and the Council's position where available.
- 8.7 Strategic, Corporate and Service Risks – The Board, at meetings held on 26 September and 6 November 2023, considered the latest position in managing the council's risks entering the respective quarters of the financial year.
- 8.8 Annual Complaints Handling 2022/23 – The Board at the meeting held on 21 August 2023 considered a report which detailed complaints received by the Council from 1 April 2022 to 31 March 2023 and how this information had been used to ensure that the Council delivered high quality, efficient and responsive services. A summary was included of the numbers and types of complaints received; responded to within timescales; customer satisfaction monitoring; and key complaint areas including what was being done to address the issues raised.

The report advised that 9,155 complaints had been received in 2022/23 compared with 9,193 in 2021/22 and 6,179 in 2020/21. The report noted that the pandemic had resulted in a reduced volume of complaints in 2021/22.

The report detailed the performance on key indicators, and highlighted improvements made to the complaints handling process over the past year to ensure that complaints were handled well.

- 8.9 Corporate Governance – The Board, at its meeting held on 18 March 2024 considered a report by the Chief Auditor which reviewed the adequacy and effectiveness of the revised Local Code of Corporate Governance. Internal Audit carried out a sample check of the evidence used to demonstrate compliance and confirmed that the Council complied with the requirements of the Local Code of Corporate Governance. In addition, it was evident that the Local Code had been subject to review and updates in line with developments in best practice and any revised Council Policies.

At the same meeting on 18 March 2024 the Audit, Risk & Scrutiny Board considered a report by the Chief Executive which reviewed the Council's Local Code of Corporate Governance for the year 2022/23 and provided evidence of how the Council complied with the Code. The evidence presented within the report demonstrated that strong governance arrangements had remained and were in place within the Council, and that Councillors and Officers were working together to lead and manage the Council in order to provide vital public services.

- 8.10 Absence Statistics - The Board considered reports on absence returns with the statistics broken down by service and category of staff, including information relative to absence targets and how services had performed against them. An analysis for absence had also been compiled and details were included within each report.

Annual Reports by other Bodies

- 8.11 Scottish Public Services Ombudsman (SPSO) – Annual Report 2022/23 – The Board at the meeting held on 22 January 2024 considered a report which highlighted that the health sector was the sector which the SPSO received most complaints, with local authority cases receiving the second highest number. Nearly two-thirds of cases received were about health and local authorities.

The report advised that information received separately from the SPSO indicated that the number of complaints received relative to Renfrewshire was 35 compared to 43 in 2021/22. Of the 35 complaints determined by the SPSO during 2022/23, were completed at the early resolution stage and 13 reached the advice stage.

- 8.12 Commission for Ethical Standards in Public Life in Scotland: Annual Report 2022/23 - The Board at the meeting held on 22 January 2024 considered a report which detailed the work of the Commissioner during the year, provided details of the investigation of complaints about the conduct of councillors, members of devolved public bodies, MSPs and scrutiny of Scotland’s ministerial public appointments process.

The report advised of revised governance arrangements, reinstated transparency reporting and a new rolling biennial business covering all office functions.

- 8.13 Scottish Information Commissioner Annual Report 2022/23 – The Board at its meeting held on 22 January 2024 considered a report which intimated that the Freedom of Information (Scotland) Act 2002 (FOISA) created a general right to obtain information from any designated Scottish public authority subject to limited exemptions. The annual report explored the performance of the Office of the Scottish Information Commissioner across the year and how FOISA could 'add demonstrable value to public services' within Scotland.

- 8.14 Annual Programme of Reviews - The Board undertakes reviews by examining a subject through consideration of evidence from Council officers, other organisations and service users. Once all the evidence has been collected, the lead officer prepares a report on the Board’s behalf outlining the findings and recommendations and following approval by the Board, the report is submitted to the Council for consideration.

The External Auditors advised that “In relation to the scrutiny of service delivery and performance, it is suggested that the Audit, Risk and Scrutiny Board would select particular areas for investigation as part of its annual programme.”

It was agreed that officers would assist members to develop the Boards annual programme of reviews to ensure that due consideration is given to the corporate risks and priorities.

Members will still have the ability to submit written intimations to the Board to consider matters they would like reviewed. A session will be held annually with officers and members to consider strategic and corporate risks and Council priorities to inform the development of the annual programme of reviews. The Guidance for the operation of the Audit, Risk and Scrutiny Board has been updated to reflect this.

A full update on the Annual Programme of Reviews 2022/2023 and 2023/24 was the subject of a separate report on the agenda for the meeting of the Audit, Risk & Scrutiny Board held on 20 May 2024.

9 Delivering Effectiveness and Strengthening the Audit Board

9.1 In response to the Dargavel Primary School Independent Review and recommendations made by the Council's external auditors, the Council agreed to undertake an assessment of the Audit Risk and Scrutiny Board against CIPFA's published good practice guide for audit committees.

9.2 An initial assessment of the current arrangements was undertaken by officers against the self-assessment of good practice checklist and the evaluating the impact and effectiveness of the audit committee checklist, provided in the guidance.

9.3 At the Audit, Risk and Scrutiny Board meeting on 6 November 2023, the Board agreed the format of a self-assessment and members participated in two development sessions, on 19 January and 26 February 2024.

9.4 The development session on 19 January 2024 looked in depth at:

- whether the Board was operating in accordance with the practices recommended and complied with legislation (where appropriate).
- How the Board had fulfilled its terms of reference, including the core functions of the committee.
- The operation of the Board, including the support and training provided and how members would develop their knowledge and experience.
- The Board's effectiveness in terms of impact on the quality of governance, risk management and internal control, together with satisfactory audit arrangements.

9.5 The development session on 26 February 2024 discussed:

- Review of discussion at development day session, and agreement of proposed actions
- Consideration of other benchmarking information
- Review the suggested changes to the ARSB ToR (and whether any other policy board ToRs also need reviewed)
- Consider any revisions required to the ARSB guidelines document, and potentially definition of a specific senior councillor role for the ARSB Convener

- Feedback on member skills/experience self-evaluation; future training requirements and external independent membership
 - Consider the audit planning approach (and whether any specific items may require to be included in the 24/25 audit plan)
 - Consider issues for inclusion in the formal ARSB evaluation report for consideration at 18 March meeting, including specific recommendations for Council to consider on 9 May.
- 9.6 The output from the two development days identified a number of areas of good practice and a draft action plan was developed which are outlined within the report [CIPFA Audit Committee Guidance – Self Assessment and Action Plan](#), submitted to the Audit, Risk & Scrutiny Board on 18 March 2024.
- 9.7 Members also requested that the current arrangements were benchmarked with other Local Authorities. The benchmarking information was discussed, at the second development session on 26 February 2024 and members agreed that the current arrangement was broadly consistent with other Local Authorities across the areas of good practice covered in the guidance. A summary of the key points arising from the benchmarking exercise, which focused on the membership and functions of Scottish Local Authorities Audit Committee is outlined at Appendix 2a and 2b within the [CIPFA Audit Committee Guidance – Self Assessment and Action Plan](#) report submitted to the Audit, Risk & Scrutiny Board on 18 March 2024.
- 9.8 In line with national guidance by the Chartered Institute of Public Finance and Accountancy (CIPFA) on the implementation of audit committee principles in Scottish local authorities Audit boards should have access to support to guide them in their roles, help them to understand the key agenda items, and to keep them informed of new developments.
- 9.9 As a result, Section 1.13 of the Guidelines for Operation of the Audit, Risk & Scrutiny Board - Role of Members, has been amended to recommend that all members of the Audit, Risk and Scrutiny Board undertake an annual assessment of knowledge and skills which will be used to develop an annual training and development programme, as recommended in the CIPFA guidance. The Terms of Reference and the Guidelines for the Operation of the Audit, Risk and Scrutiny Board have been updated to formalise this change. The revised documents are attached as appendices to the [CIPFA Audit Committee Guidance – Self Assessment and Action Plan](#) report which was submitted to the Audit, Risk & Scrutiny Board on 18 March 2024.
- 9.10 A programme of training and development for members has now been prepared and further development will be considered following the completion of the Knowledge and Skills Framework from the CIPFA guidance. The proposed topics are detailed below:
- Governance arrangements and the value of good governance
 - Financial management arrangements
 - Overview of financial reporting
 - Role of External Audit

Where individual members indicated specific development requirements, it has been agreed that the Chief Auditor will arrange for one-to-one meetings to determine how best to support each members development.

- 9.11 It should be noted that a wide range of briefings and other training was offered to elected members during 2023/24. A training record is kept by Committee Services.
- 9.12 During the week of 14 August 2023 Members undertook a focussed week of briefings, clinics and skills workshops. Some of the workshops were topics around feedback from members following evaluation of the induction programme. The development programme included examining the latest guidance in the Local Code of Conduct for Councillors.

Implications of the Report

Financial – none

HR & Organisational Development – none

Community Planning – none

Legal – none

Property/Assets – none

Information Technology – none

Equality & Human Rights - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

Health & Safety – none

Procurement – none

Risk – none

Privacy Impact – none

Cosla Policy Position – not applicable

Climate Risk – none

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