

COMMENTS FROM THE CHAIR OF THE AUTHORITY'S AUDIT COMMITTEE

Thank you for establishing the report from Audit Committee Chair as a recognised item on the Committee agenda.

Item 19 Audit Committee Annual report You will not be surprised that my first comments relate to the last item on your agenda, the Audit Committee annual report.

In the forward we noted that we were disappointed at the initial response to the External Auditors Value for Money report with its significant statutory and other recommendations.

Our Annual Report outlines the significant areas we covered during the year. The second paragraph from the last section sums up why we believe the role of Audit Committee is important

"In an Authority with only one directly elected member, the need for openness, transparency and good governance is even more critical than it is in a traditional local authority. The need for co-operation and joint working is fundamental to the authority's existence and The Audit Committee has a responsibility to ensure the best possible standards of governance are in place".

Item 16 Transformation Update was reviewed at our meeting on 18th September..

We welcome the work that has been done and the positive attitude to embracing change from the new senior officer appointments which is a significant improvement.

However, we commented that the word "ongoing" or similar was used in describing progress and that there were very few firm target dates. In future iterations we expect to see actions being made date specific. They must be realistic and stretching targets.

We noted that many aspects of the transformation plan were inter-dependent on other actions and that this was leading to delays in implementation. We questioned whether the Combined Authority had the available resources to deliver all the changes that were needed in a timely fashion.

We would like to see specific timelines used to identify potential bottlenecks.

I very much feel the transformation programme needs ownership and endorsement from the political leaders who make up the committee. I am sure you will show that today.

We note that the progress report on the **Climate and Ecological Strategy** is also on your agenda today -**item 12**-. At our September meeting we reviewed the Climate Risk Register as part of our continuous review of risk.

Members felt it important that the register identified those risks that the combined authority could directly influence and should also ensure that the risks and mitigations were worded in a way that residents could identify with. Questions were asked about

engagement initiatives with residents. More information was needed in terms of dates of actions and mitigations.

Concern was expressed about the Carbon emissions arising from the Authorities website and that this should be identified as a risk.

Members noted a pressing need for carbon accounting, possibly with a shared approach between the Combined Authority and its constituent members, but carbon budgeting should be a key part of any capital programme prioritisation process.

We have asked for an updated risk register to be brought back to us at a briefing session early in the New Year

Audit Committee will continue to look at a different risk registers at each meeting, but ultimately The Committee needs to endorse the risks and mitigations

I end with a number of general points

1. **Forward Plan.** Audit Committee is working on establishing a forward plan that identifies the areas we will be working on meeting by meeting, looking forward 18 months. Ideally, we would use a similar forward plan from the Combined Authority. I was disappointed therefore to find that if I search forward plan on the Authority website nothing comes up at all. I recognise that any forward plan has to be flexible, but as a committee you surely should know what decisions are likely to be coming up in the next 18 months, not just what is coming up today.
2. **Scrutiny.** It is important that Audit and Scrutiny continue to work together to maximise the backbench input into the Combined Authority. A proper 12 month + forward plan for the authority is essential for that to be able to happen affectively and should also be essential for you as leaders
3. **Delivery.** Audit Committee has expressed concern about the importance of delivery of projects on time, on budget, with outcomes at or above expectations. Having done well at securing funding, it is vital that the organisation proves it can deliver, if it is to secure future funding.

Geoff Gollop

5/10/23