Audit and Risk Committee – for assurance

Meeting agenda title: Audit and Risk Committee effectiveness review – update

Meeting date: 25 April 2024

Time required: 10 minutes

Presenter: Louise Byers

Approved by: Louise Byers

1. Objective and recommendation

1.1. This report gives the Committee assurance on the progress made with the actions identified from the Audit and Risk Committee effectiveness review.

2. History and dependencies

2.1. During autumn 2023 the Audit and Risk Committee undertook a 'light touch' effectiveness review. The outcomes of this were reported to the Committee's November 2023 meeting, and the Committee agreed four actions to continue to increase the Committee's effectiveness.

2.2. The Committee requested that it receive an update on delivery of these actions at its April 2024 meeting, six months after the original review.

3. Matters to consider to achieve objective

3.1. **Action 1:** Add a standing item to the ARC agenda to ensure that emerging audit and risk issues are captured.

Update: Completed: a standing item around horizon scanning has been added to the work programme, to consider any audit/risk issues emerging. It has been included for the first time in the April 2024 agenda.

3.2. **Action 2:** One or two annual workshop style sessions (possibly a joint session with the Board as part of the governance transition

work) to be scheduled to allow more time to consider key issues, especially around the risk and opportunities of delivering ICO25.

Update: Completed. A Management Board Strategy Day is planned on 15 July to consider key issues, including the risks and opportunities of delivering ICO25.

3.3. **Action 3:** In the event of a possible significant deviation from the external audit timelines, the Chair to call a meeting with Finance & External Audit to obtain assurance that the external audit is sufficiently resourced and risks to the timelines are mitigated.

Update: Not yet required. This action will be monitored as the external audit progresses over the next few months.

3.4. **Action 4:** The ARC members continue to meet before each formal meeting to discuss any issues or risks to the internal audit programme progress and a report is provided to the Committee at the half year stage to provide assurance that delivery is on track.

Update: Completed: Pre-meetings have been arranged for Committee members, internal audit and external audit, with MS Teams invitations issued. The internal auditors produce an update to every ARC meeting, to provide assurance about the delivery of the internal audit programme.

Future ARC effectiveness reviews

3.5. The Committee agreed that it would conduct a full review using the NAO's framework every four years, with a "light touch" review in intervening years. The next full review is due during 2026/27: the review during 2024/25 will be the second 'light touch' review.

3.6. The Risk and Governance Team meet to identify any changes to the questions within the 'light touch' review. Comments are welcomed from the Committee on any potential areas of focus for this review.

4. Areas for challenge

4.1. The report is for assurance purposes but are there any areas where the Committee would expect further action beyond that which has already been taken?

5.   Communications considerations

5.1.   There are no communications requirements for this report.

6.   Next steps

6.1.   The next steps for this work are:

- Commission and deliver the 'light touch' annual review for 2024/25, during July to September 2024.

- Report the outcomes and further actions from this review to the Committee's June 2024 meeting.

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Consultees: Chris Braithwaite, Jo Butler, Angela Donaldson

Publication decision: This report can be published internally and externally without redaction.

Outcome reached: