

## Mayoral Combined Authority Board

25 July 2022

### Audit, Standards and Risk Committee Annual Report

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| <b>Is the paper exempt from the press and public?</b> | No                      |
| <b><i>Reason why exempt:</i></b>                      | Not applicable          |
| <b>Purpose of this report:</b>                        | Governance              |
| <b>Funding Stream:</b>                                | Not applicable          |
| <b>Is this a Key Decision?</b>                        | No                      |
| <b>Has it been included on the Forward Plan?</b>      | No - Not a Key Decision |

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**Director Approving Submission of the Report**  
Steve Davenport, Principal Solicitor/Monitoring Officer

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#### **Executive Summary**

The Audit, Standards and Risk Committee Annual Report summarises the work of the Committee during 2021/22, demonstrating how it has fulfilled its terms of reference and provided assurance to the Authority on its governance arrangements, risk management arrangements and the internal control environment.

#### **What does this mean for businesses, people and places in South Yorkshire?**

Good governance enables the Combined Authority to pursue its ambitions and objectives in the most effective and efficient way, bringing about better outcomes for residents and businesses in South Yorkshire.

#### **Recommendations**

Members are asked to consider the Annual Report and the action plan to address the findings of the Committee Effectiveness Survey.

#### **Consideration by any other Board, Committee, Assurance or Advisory Panel**

Not applicable

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## **1. Background**

- 1.1 The Audit, Standards and Risk Committee is a key component of corporate governance providing an independent, high-level focus on the audit, assurance and reporting framework underpinning financial management and governance arrangements. Its purpose is to provide independent review and assurance of governance arrangements, risk management and control frameworks. It also undertakes the Authority's Standards Committee function.

The terms of reference for the Audit, Standards and Risk Committee are included in Part 4D of the MCA Constitution<sup>1</sup>.

- 1.2 The Chartered Institute of Public Finance and Accountancy (CIPFA) has issued guidance to help ensure that Audit Committees operate effectively. The guidance recommends that Audit Committees should report annually on how they have discharged their responsibilities. A copy of the Annual Report for 2021/22 is provided at appendix A.

## **2. Key Issues**

- 2.1 The Annual Report sets out the membership of the Committee for 2021/22 and provides detail on attendance and quoracy levels as well as an overview of the work of the Committee. It also summarises the work of the internal and external audit functions, provides information on the level of public engagement with the Committee and aims to demonstrate how the Committee has fulfilled its terms of reference and provided assurance to the Authority during the year.

### **2.2 Effectiveness**

CIPFA guidance recommends that Audit Committees undertake an assessment of their own effectiveness annually. A survey to facilitate this took place in quarter four, closing on 22<sup>nd</sup> March. The Committee considered the results of the survey at the meeting 24<sup>th</sup> March. The Annual Report summarises the outcome of the self-evaluation and proposes an improvement plan to address some of the findings. This can be found at section 6 of the report.

In particular, Members are asked to note the actions (p.10, table 3) to explore whether a smaller committee might have a positive effective on attendance and quoracy as well as facilitate a deeper level of debate and discussion. Due to the timing of meetings this action was taken forward as part of the nomination and appointment process and a report considered by the MCA on 6<sup>th</sup> June where a decision was taken to appoint a smaller Committee on a trial basis for municipal year.

## **3. Timetable and Accountability for Implementation**

- 3.1 The timetable for the implementation of the improvement plan will be agreed with the Audit, Standards and Risk Committee.

## **4. Financial and Procurement Implications and Advice**

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<sup>1</sup> <https://governance.southyorkshire-ca.gov.uk/ielListMeetings.aspx?Committeeld=181&info=1&bcr=1>

4.1 There are no financial or procurement implications associated with this report.

**5. Legal Implications and Advice**

5.1 There are no legal implications associated with this report.

**6. Human Resources Implications and Advice**

6.1 There are no human resource implications associated with this report.

**7. Equality and Diversity Implications and Advice**

7.1 There are no equality and diversity issues associated with this report.

**8. Climate Change Implications and Advice**

8.1 There are no climate change implications associated with this report.

**9. Information and Communication Technology Implications and Advice**

9.1 There are no information and communication technology implications associated with this report.

**10. Communications and Marketing Implications and Advice.**

10.1 There are no communications or marketing implications associated with this report, however, the report will be available on the Authority's website.

**List of Appendices Included**

A Annual Report 2022

**Background Papers**

[Committee Engagement and Annual Report Proposal - ASRC 15th July 2021](#)