

Tilia Solutions
CORPORATE GOVERNANCE CONSULTANCY



Tilia Solutions Training and Consultancy Manual 2020

Elizabeth.humphrey@tiliasolutions.co.uk

01258 839263

0774 020 1375

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Why Tilia Solutions?

Tilia Solutions is an innovative company set up by Elizabeth Humphrey in 2007 to provide support, consultancy, advice and training in matters relating to corporate governance: risk, audit, fraud, assurance and generally keeping organisations on the straight and narrow. Elizabeth's background is in local government but she now works across the public sector, with clients in local and central government, the NHS, police and other bodies, in the UK, Europe and further afield.

All of Elizabeth's courses are tailored to the client's needs and she specialises in helping officers and board members understand what is expected of them. The courses, which could have the potential to be rather dry, are engaging and practical, based on what really works, with lots of examples and stories that Elizabeth has gathered over the years. She particularly enjoys training audit committees. Her aim is for the members of the committee to thank her and emerge fired up to ask challenging and searching questions, to help their organisations to improve. Officers may initially curse her, but they will go on to value the improved check and challenge provided by audit committee members and others.

Recent work

During 2018 and 2019, Elizabeth has:

- Helped an NHS body and two local authorities determine their risk appetites, while helping another body to update its appetite
- Trained many auditors and would-be auditors in the UK and Europe, including supporting them to sit audit exams
- Challenged three audit committees to be more effective
- Provided both general and in-house training to audit committees across the public sector
- Explained the basics of risk management to some audit committees and helped others to update their risk register
- Reviewed the internal audit teams of a number of local authorities against the Public Sector Internal Audit Standards (PSIAS) and also reviewed three European government audit functions against the IIA standards
- Examined the evolving risk management arrangements of a UN body and made recommendations for development
- Undertaken training across the EC in risk, fraud, internal control, audit, audit communication, expenditure, procurement and management supervision, supporting both in-house teams and providing more general training

In 2020, Elizabeth has started to train online and has run successful sessions for internal audit beginners and also for auditors who want to improve their quality assurance and improvement programmes.

Online delivery

The majority of these courses can be delivered online, with some adaptation. Please contact Elizabeth to discuss this further.

Being an effective audit committee

Course objectives

This course is intended to help new or established audit committees obtain greater understanding of their responsibilities as set out in their terms of reference. It will help them do a more effective job in checking and challenging officers and auditors. If delegates from more than one organisation attend, ideas and approaches can be shared so that committee members learn from each other.

What does it cover?

The course can cover a mixture, as required, of the following elements:

- Roles and responsibilities of the audit committee and those who contribute to the committee
- Working with your auditors, with a focus on the particular input of the committee in relation to internal audit
- Case study, looking at an audit report and identifying the key issues
- The Public Sector Internal Audit Standards, what they are, what they mean for the committee
- Risk management, the basics, the role of the audit committee in reviewing risk activities
- Corporate governance, the guidance, the Annual Governance Statement, the role of the audit committee in challenging governance arrangements
- Fraud and corruption, the key risk areas and what audit committee members should look for
- Value for money, the key aspects and the audit committee's role
- Assurance gathering, what it is, how it is drawn together and what it means for the committee
- Accountability and what this means for the audit committee
- Assessing the audit committee's effectiveness

Who should attend?

- Members of audit committees
- Officers who report to the audit committee
- Members of the audit team
- Officers who support and administer the audit committee

How long does the course last?

Depending on what you want to cover, this course can last from as little as 30 minutes to a full day but would typically be between one and four hours.

When is it best held?

The course can be a standalone course, but it is often most effective to hold the course before an audit committee meeting. This is a more efficient use of audit committee members' time. Also, the training can be tailored to specific items to be covered in the meeting.

Feedback from delegates

- An impressive solo act – delivery very difficult but most effective
- A good, light presentation style. Heavy subject and easy to become side-tracked
- Thank you for a very interesting day. It provided several thoughts on how the effectiveness of audit committees can be improved and I thought that the way you facilitated the event was very good
- Really enjoyed this session – gave us more food for thought

Appropriate for online delivery?

The discursive nature of this course means that it is probably not suitable for online delivery other than in an abbreviated form.

Audit committee effectiveness evaluation (established committees)

Evaluation objectives

This evaluation is intended to help established audit committees identify where they are delivering good support to the council and their officers and where there are areas for improvement. At the end of the session, an action plan is developed to support those improvements.

What does it involve?

The evaluation is undertaken against the nine areas identified in the CIPFA audit committee guidance¹ where the audit committee can add value by supporting improvement:

- Each area is examined in turn: what evidence can the members of the committee, supported by officers and Tilia Solutions if necessary, provide to demonstrate that they add value
- The completeness of the evidence is scored
- Differences of opinion are discussed and a consensus reached
- If this is deemed “not good enough” an action plan is developed to enable the committee to add greater value in future
- The whole exercise is completed against the clock to help cover everything, keep it on track and add an element of challenge
- If necessary, a little training can be included where members struggle to understand any of the aspects covered

This approach assumes that the committee has been operating with its current membership for at least a year. It has also been performed successfully with a new audit committee, where all the members had experience of other audit committees.

Who should attend?

- Members of audit committees
- Officers who report to the audit committee
- Members of the audit team
- Officers who support and administer the audit committee

How long does the evaluation take?

Two to two and a half hours

When is it best done?

This evaluation is best carried out as a standalone event. However, it could be carried out immediately before or after an audit committee meeting, enabling Tilia Solutions to observe the committee in action and feed back on those observations.

Feedback from delegates

- It was a really useful session and I think helped Members realise that they are doing a good job and we can work together to improve even further the impact the Audit Committee has on the governance of the Council
- Many thanks. Can we book you again for next year?
- I’m looking to support our Audit Committee to undertake a self-evaluation of its effectiveness and you came highly recommended when chatting to other authorities who have done that recently

Appropriate for online delivery?

The discursive nature of this course means that it is not suitable for online delivery.

¹ Audit committees. Practical Guidance for Local Authorities and Police 2018 Edition

Audit committee effectiveness evaluation (newly-formed committees)

Evaluation objectives

This evaluation is intended to help newly-formed audit committees identify where they will need further support to deliver effectively. It is a combination of training, discussion and evaluation and will result in an action plan for improvement.

What does it involve?

The evaluation is undertaken against a selection of the nine areas identified in the CIPFA audit committee guidance² where the audit committee can add value by supporting improvement and takes a similar approach to that outlined for established audit committees:

- Before the session, the areas for consideration will be identified in discussion with officers and, if appropriate, the chair and members of the committee
- There will be a short explanation of each area, with some examples, and then a discussion about what the committee already does, supported by officers
- Together we will decide if that is sufficient or if the committee could do more and, if so, what that might be
- An action plan will be drawn up to support improvements and future evaluations

Who should attend?

- Members of audit committees
- Officers who report to the audit committee
- Members of the audit team
- Officers who support and administer the audit committee

How long does the evaluation take?

Two to two and a half hours for up to five areas; half a day to cover all nine.

When is it best done?

This evaluation is best carried out as a standalone event. However, it could be carried out immediately before or after an audit committee meeting, enabling Tilia Solutions to observe the committee in action and feed back on those observations.

Appropriate for online delivery?

The discursive nature of this course means that it is not suitable for online delivery other than in an abbreviated form, with less focus on the workshop aspects.

² Ibid

Risk management for audit committees

Course objectives

This course is intended to support members in their risk management role by explaining the approach, terminology and what is really important. As a result, members will be able to challenge risk management activities more effectively. It can be combined with the similar course for officers outlined on page 8. It can also be combined with the risk workshop on page 9.

What does it cover?

The course is tailored to your organisation's approach. The focus will be on how members can add value by understanding and challenging risk management. It covers some or all of:

- What is risk and why it is important
- Clarifying the terminology
- Describing risks clearly, thinking about causes and consequences
- Scoring and prioritising risks
- Understanding risk appetite, what affects it and how to draw up a practical appetite statement
- Taking action on those risks that are outside the risk appetite
- Considering member risks
- Asking good questions to challenge risk management activities

The level of detail gone into will depend on the time available and the experience of the committee regarding risk.

Who should attend?

- Members of audit committees
- Officers who report to the audit committee on risk
- Officers who support and administer the audit committee

How long does the course last?

Two to three hours for the course

A minimum of four hours (ideally a day) if it is combined with a risk workshop

When is it best held?

This course can be held at any time during the year, but it is most useful just before the audit committee considers risk in a meeting. An abbreviated version of the course (30 minutes to an hour) could be provided immediately before the relevant meeting.

Feedback from delegates

- Just a quick note of thanks for the training session. I have received feedback from a number of participants commenting on how much they enjoyed the session and that the training was very beneficial
- Excellent and worthwhile – sufficiently challenging and information. Thank you
- Trainer managed to delivery what can be quite a dry topic in an engaging way.

Appropriate for online delivery?

The discursive nature of this course means that it is probably not suitable for online delivery other than in an abbreviated form.

Risk management for officers with risk responsibilities

Course objectives

This course is intended to support officers who have risk management responsibilities to help them to perform this role more effectively and to help them to support members in their challenge role around risk management. It can be combined with the course for audit committees set out on page 7 and the risk workshop on page 9.

What does it cover?

The course is tailored to your organisation's approach. The focus will be on how officers can identify and manage risk more effectively and how they can support members in providing an effective challenge of their activities. It covers some or all of:

- What is risk and why it is important
- Clarifying the terminology
- Describing risks clearly, thinking about causes and consequences
- Scoring and prioritising risks
- Understanding risk appetite, what affects it and how to draw up a practical appetite statement
- Taking action on those risks that are outside the risk appetite
- How can we simplify risk and encourage others, including members, to engage in the process?
- Where and how could we "do" risk more effectively?

The level of detail gone into will depend on the time available and the areas identified for a more thorough examination.

Who should attend?

- Officers who are responsible for managing risks
- Officers who facilitate risk management
- Risk portfolio holders/board representatives

How long does the course last?

Two to three hours for the course

A minimum of four hours (ideally a day) if it is combined with a risk workshop

When is it best held?

This course can be held at any time during the year, but it may be most useful at any of the times when risk management is considered more formally, for example before a risk committee or an evaluation of risk activities or any required updates of the risk register.

Feedback from delegates

- Your training was absolutely excellent. The best I have followed in 12 years. Thank you so much for that
- I'm glad it's you again Elizabeth!
- The two days flew by, which must be a tribute to the trainer
- When asked if they would recommend the course to a colleague "Yes, as long as it is Elizabeth"
- Thanks for sharing your passion for risk management at yesterday's training course. It has been a great inspiration for me!

Appropriate for online delivery?

The discursive nature of this course means that it is probably not suitable for online delivery other than in an abbreviated form.

Risk management workshop

Workshop objectives

This workshop is intended to help officers and board members identify, describe and manage risks. At the end of the workshop, those attending will have identified their principal risks and will have fully described some or all of those risks, depending on the time allowed. The workshop could be preceded by or integrated with the risk courses for audit committee members and/or officers set out on pages 7 and 8.

What does it cover?

The workshop takes the following approach:

- A brief explanation of risk and how it is dealt with in the organisation
- A reminder of the objectives of whatever is being risk appraised and then a brainstorming session to identify risks, challenges, near misses, etc in relation to those objectives
- Sorting, grouping and prioritising the ideas
- Working through the first risk slowly to identify the causes, consequences, current controls and future actions. Risk and action owners will also be identified. The risk will be scored as required by the organisation's procedures.
- Working through as many of the remaining risks as possible, in an agreed order, taking 20-30 minutes per risk

At the end of the workshop, there will be a number of flipcharts with ideas. Tilia Solutions will write these up and can come and present the results if required.

Who should attend?

- Members of audit committees
- Officers who report to the audit committee on risk
- Officers with risk management responsibilities

How long does the workshop last?

Minimum of two hours, during which three to four risks should be fully described. Each additional risk takes 20-30 minutes.

Maximum of half a day

When is it best held?

This workshop can be held at any time during the year, but it is most useful at times of change, when plans are being drawn up and around the times of formal risk reviews.

Feedback from delegates

- I just wanted to thank you for the workshops last week. I think it was a very good start to our risk management and was very appreciated by management.
- The initial workshop and discussion with colleagues was very helpful. A number of very important questions came up during the workshop.
- Thank you so very much for all your support yesterday – my Exec colleagues have fed back so positively about the session and the energy that you brought into the room to facilitate the discussion. Everyone found the session really beneficial moving along our maturity journey.

Appropriate for online delivery?

The discursive nature of this course means that it is not suitable for online delivery.

Risk appetite setting workshop

Workshop objectives

This workshop is intended to help officers and board members understand and identify the organisation's risk appetites.

What does it cover?

Before the workshop takes place, the model risk appetite is discussed with officers to refine it for the organisation's circumstances. The workshop then takes the following approach:

- A brief explanation of risk appetite
- Discussion of the model appetite to refine it for the organisation's circumstances
- Individual or pair identification of where the appetite is now and where it should be
- Group discussion to set an agreed risk appetite

Who should attend?

- Members of audit committees
- Members of the senior management team
- Officers who report to the audit committee on risk
- Officers with risk management responsibilities

How long does the workshop last?

Two hours

When is it best held?

This workshop can be held at any time during the year, but it is most useful at times of change, when plans are being drawn up and if the senior management, executive and non-executive, have changed.

Appropriate for online delivery?

The discursive nature of this course means that it is probably not suitable for online delivery other than in an abbreviated form.

Introduction to internal audit

Course objectives

This course is intended to give those new to audit or those returning to audit a framework to support their audit activities. It will also help those who are audited routinely to understand the rationale behind audit work and to engage with the audit more effectively. It can be tailored to your organisation's practices.

What does it cover?

The course can include some or all of the following:

- Roles and responsibilities, what audit is, the Public Sector Internal Audit Standards, the importance of independence and objectivity
- Risks, systems and controls, what they are and how they interlink
- Audit concepts, including key controls, measuring risk, audit materiality
- Audit planning
- Risk-based and systems-based audit, evaluating systems, testing systems
- Evidence gathering and evaluation, different techniques, triangulation, sample sizes
- Audit reporting and effective recommendation making

Who should attend?

- Staff new to audit (up to about a year's experience)
- Staff returning to audit
- If in-house, audit management
- Staff who work with auditors regularly

How long does the course last?

Half a day to a day

When is it best held?

This course can be held at any time during the year

Feedback from delegates

- I attended the brilliant training presentation you gave yesterday. It was so interesting that we couldn't resist spending the first few minutes this morning discussing it with our colleagues.
- I am a CIPFA student and currently studying the Audit and Assurance unit of the course. I found the webinar very useful to support my studies and would recommend this to other students. I felt comfortable asking questions and making comments throughout.

Appropriate for online delivery?

This course is suitable for online delivery in an adapted form.

Audit communication

Course objectives

This course is intended to help new and experienced auditors improve their communication skills, especially verbal skills. The main focus of the course is audit interviewing, with a number of case studies to help auditors expand their skills in opening and conducting interviews with auditees, some of whom may be difficult to manage.

What does it cover?

The course can include some or all of the following:

- Interviewing skills
- Body language
- Effective audit reporting
- Basics of presentation skills

Who should attend?

- Internal audit staff, both new and experienced
- If in-house, audit management

How long does the course last?

Half a day to a day

When is it best held?

This course can be held at any time during the year

Appropriate for online delivery?

The discursive nature of this course means that it is probably not suitable for online delivery other than in an abbreviated form.

Risk management for auditors

Course objectives

This course is intended to help auditors improve their understanding of risk management, in planning and undertaking audit work and in carrying out the audit of risk management arrangements.

What does it cover?

The course can include some or all of the following:

- The basics of risk management especially:
 - What is risk and why it is important
 - Clarifying the terminology
 - Describing risks clearly, thinking about causes and consequences
 - Scoring and prioritising risks
- Developing the risk-based strategic/annual plan
- Risk-based planning of an audit assignment
- Auditing risk management arrangements

Who should attend?

- Internal audit staff, both new and experienced

How long does the course last?

Half a day to a day

When is it best held?

This course can be held at any time during the year

Appropriate for online delivery?

This course is suitable for online delivery in an adapted form.

Quality Assurance and Improvement Programme (QAIP)

Course objectives

This course will support internal audit teams to undertake quality assurance and improvement activities in line with the International Professional Practices Framework (IPPF) and Public Sector Internal Audit Standards (PSIAS) Standard 1300.

What does it cover?

The course can include some or all of the following:

- How to carry out ongoing monitoring:
 - During audit planning
 - During audit fieldwork
 - When reporting
 - Post-audit evaluation
 - Client surveys
 - Evidence of supervision
- Undertaking a self-assessment:
 - The different forms of self-assessment
 - Their advantages and disadvantages
 - The key documents to review
 - Audit file review
 - Carrying out interviews, including hints and tips on interviewing techniques
 - Developing an effective client survey
- Managing the external quality assessment
 - Validated self-assessment
 - Full external quality assessment (EQA)
 - How to succeed v how to fail spectacularly
 - Typical areas of failure
 - Reporting on the QAIP process

Who should attend?

- Internal audit staff, supervisors and managers (this course is probably not appropriate for those who are new to internal audit)
- Senior managers who have a particular interest in and/or responsibility for internal audit
- Audit committee members who want to understand the process to support their auditors

How long does the course last?

Each part of the course requires approximately two hours. The course could either be delivered as three modules or as a full day's training.

A reduced version, more suitable to senior management and audit committee members, is also possible and would last two to three hours.

When is it best held?

This course can be held at any time during the year. If you are holding this training as part of your preparation for an external quality assessment, it should be at least six months beforehand, but ideally more than a year before the EQA.

Appropriate for online delivery?

This course is suitable for online delivery in an adapted form.

Understanding fraud, the basics

Course objectives

This course explains the basics of fraud, what it is and what makes it more likely. It can be tailored towards a specific audience: for internal auditors, how to consider fraud risks when carrying out audits; for audit committees, their roles and responsibilities in relation to fraud; for officers, developing a fraud risk register. Please note that this course is not intended for investigators or similar staff,

What does it cover?

The basic course covers:

- A general definition of fraud, with examples of what is and what isn't fraud
- The fraud triangle – the aspects of an organisation that makes it more or less likely for fraud to occur
- Fraud red flags, things to look out for

The course can then be tailored:

- For auditors:
 - How to plan audits to consider fraud risks
 - The option of "fraudits"
- For the audit committee:
 - What should your auditors be doing in relation to fraud
 - What you should see regarding fraud activities
- For officers and those with responsibility for risk:
 - How to develop a fraud risk register
 - Thinking about controls in relation to fraud
 - Potentially a fraud risk register development workshop

Who should attend?

- Internal audit staff, supervisors and managers, including those who are relatively new to audit
- Officers who are responsible for developing risk registers to expand those to cover fraud
- Audit committee members who want to challenge and support their officers in delivering anti-fraud activities

How long does the course last?

An hour to half a day

For a fraud risk register workshop, allow at least half a day

When is it best held?

This course can be held at any time during the year

Feedback from delegates

- The initial workshop and discussion with colleagues was very helpful. A number of very important questions came up during the workshop.

Appropriate for online delivery?

This course is suitable for online delivery, although the risk register development is more effectively managed face-to-face.