

<p><u>Committee</u> <u>Date/Agenda Item</u></p>	<p><u>Notes</u></p>
<p><u>29 March 2011</u></p>	
<p>Grants Report to those charged with Governance</p>	<p>Members received the Grants Certification Report from the Council's External Auditors who are required to report annually on the issues, amendments and qualifications arising from certification work of grant claims and returns.</p>
<p>Progress Report</p>	<p>A report was presented to Members on progress against the 2010/11 External Audit Plan together with an updated risk assessment.</p>
<p>Final Accounts Memorandum – Action Plan</p>	<p>Members noted the progress on preparations for producing year end accounts. The report included:</p> <ul style="list-style-type: none"> • an update on the issues contained within the Audit Commission's Final Accounts Memorandum • progress to date on the implementation of International Financial Reporting Standard (IFRS) compliant accounts • updated accounting policies • potential changes to how the Accounts are presented to Members for approval in the future
<p>Regulation of Investigatory Powers Act (RIPA)</p>	<p>The Committee noted the requirements of RIPA legislation and the actions in place to ensure that the Council complies with the requirements.</p>
<p>Business Continuity Update</p>	<p>The Committee noted the requirements of the Civil Contingencies legislation and the actions in place to ensure that the Council complies with the requirements.</p>
<p>Risk Management update</p>	<p>Members considered and reviewed the report on the effectiveness of the Council's risk management arrangements.</p>
<p>Internal Audit Plan for 2011/12</p>	<p>The Committee received and approved the Internal Audit Plan for 2011/12.</p>
<p>AGS update</p>	<p>The Committee noted the progress made in reviewing the Council's governance arrangements.</p>

Appendix A

<u>Committee Date/Agenda Item</u>	<u>Notes</u>
Audit Committee self assessment	The report advised members on a self assessment of the Audit and Governance Committee using the CIPFA publication 'Audit Committees – Practical Guidance for Local Authorities'.
Sale Of County Hall	Members received a report from the Audit Commission in respect of the sale of County Hall.
Work Plan	<p>The Committee received the changes to the programme of meeting and agenda items and noted that the Work Plan acknowledged the requirements of the Accounts and Audit Regulations 2003 (as amended) together with the changes proposed by the DCLG as detailed in the consultation document 'Revision and consolidation of the Accounts and Audit Regulations 2003 (SI 2003 No 533) as amended'.</p> <p><i>The Committee received a presentation on reputational risk management.</i></p>
<u>30 June 2011</u>	
Draft Statement of Accounts/Annual Governance Statement (AGS)	A report on the process and timetable for the approval of the Statement of Accounts/AGS. The Draft Statement of Accounts and AGS to be made available to Members who wish to see them following the meeting.
External Audit Update	Progress report on the audit to date.
Internal Audit Annual Report	The Committee will receive the Internal Audit Annual Report for 10/11. The report is timed to support the production of the draft AGS.
Whistleblowing Policy	A revised Whistleblowing Policy has been developed in line with the report presented to the November 2010 meeting. This document will be put before the Committee prior to formal approval and adoption.
Risk Management Strategy & Business Continuity Strategy	In considering the effectiveness of the Authority's risk management arrangements the Committee must be aware of the Risk Management Strategy and any proposed changes to it.

Appendix A

<u>Committee Date/Agenda Item</u>	<u>Notes</u>
Risk Management update	The Risk Management function will report on whether best practice is being followed in the management of risk and how new risks are identified and existing risks are changing.
Business Continuity update	The Committee will be made aware of how the authority manages its own contingency and business recovery plans.
Anti Fraud & Corruption	The results of a review of the Council's anti fraud arrangements against those prescribed in the CIPFA publication 'Managing the Risk of Fraud Actions to Counter Fraud and Corruption' will be reported to the Committee.
Work Plan	A forward looking programme of meetings and agenda items to ensure comprehensive coverage of the Committee's responsibilities.
<u>29 September 2011</u>	
Annual Governance Report, Auditors' report on Financial Statements and Value for Money conclusion.	<p>The Committee will receive the 2010/11 Annual Governance Report produced by the External Auditor.</p> <p>The External Auditors will present a report on the findings, conclusions and recommendations of the audit work undertaken on the financial statements and an assessment of how well the Council manages its resources to deliver Value for Money giving an opinion on whether:</p> <ul style="list-style-type: none"> ● the accounts presented fairly the financial position of the authority and its expenditure and income for the year in question; and ● the accounts have been prepared properly in accordance with relevant legislation and applicable accounting standards.
Statement of Accounts	The Committee will be asked to approve the final Statement of Accounts for 2010/11 in order to comply with the Accounts and Audit Regulations and increase public confidence in the objectivity and fairness of the Statements

Appendix A

<u>Committee Date/Agenda Item</u>	<u>Notes</u>
AGS	The Committee will be asked to approve the AGS the purpose of which is to provide a continuous review of the Council's governance arrangements to give assurance on the effectiveness of the processes and/or to address identified weaknesses
Internal Audit Update	The purpose of this report is to facilitate compliance with the requirements of the Code of Practice for Internal Audit and, consequently, it provides Members with emerging issues in respect of the whole range of areas to be covered in the formal annual report for 11/12. It enables the Committee to monitor Internal Audit's performance.
Annual Governance Statement 2011/12	The Accounts and Audit Regulations require the production of an Annual Governance Statement. It is good practice to agree the process to establish the statement for 11/12 with Members in advance
Risk Management Update	The Risk Management function will report on whether best practice is being followed in the management of risk and how new risks are identified and existing risks are changing.
Business Continuity update	The Committee will be made aware of how the authority manages its own contingency and business recovery plans.
Anti Fraud & Corruption Policy	A final draft of the Anti Fraud and Corruption Strategy will be presented to the Committee taking into account the findings of the review of the existing policy as presented to this Committee, comments from Members and the outcome of consultation with the unions.
Work Plan	A forward looking programme of meetings and agenda items to ensure comprehensive coverage of the Committee's responsibilities.
<u>31 January 2012</u>	
Final accounts memorandum	This report provides the Council with the detailed messages from the audit of the 2010/11 main financial statements, with the aim of helping the Council to improve the quality of its financial statements further in future years.

Appendix A

<u>Committee Date/Agenda Item</u>	<u>Notes</u>
Annual Audit Letter	The purpose of preparing and issuing annual audit letters is to communicate to the audited body and external stakeholders, including members of the public, the key issues arising from the External Auditors' work, which they consider should be brought to the attention of the Council. The annual audit letter covers the work carried out since the previous annual audit letter was issued.
Opinion Plan	The Plan identifies the work that is planned by the External Auditor to give an opinion on the Council's Financial Statements for the financial year 2011/12.
AGS Action Plan	The Committee will be asked to note the progress made in implementing the Annual Governance Statement (AGS) action plan for 2010/11. Failure to consider and monitor the AGS action plan could result in agreed improvements to the governance arrangements not being implemented.
Freedom of Information and Data Protection	This report provided Members with an update on FOI and DP issues including volumes of requests and trends
Compliance with International Auditing Standards	<p>In order to comply with a number of International Standards on Auditing, external audit are required to obtain the Audit Committee's understanding of the following:</p> <p>1) Management processes in relation to:</p> <ul style="list-style-type: none"> • undertaking an assessment of the risk that the financial statements may be materially mis-stated due to fraud • identifying and responding to risks of fraud in the organisation • communication to employees of views on business practice and ethical behavior • communication to those charged with governance the processes for identifying and responding to fraud <p>2) How the Committee oversees management processes to identify and respond to the risk of fraud and possible breaches of internal control</p>

Appendix A

<u>Committee Date/Agenda Item</u>	<u>Notes</u>
Internal Audit Update	<p>3) How the Committee is made aware of actual, suspected or alleged frauds</p> <p>4) How it gains assurance that all relevant laws and regulations have been complied with.</p> <p>The purpose of this report is to facilitate compliance with the requirements of the Code of Practice for Internal Audit and, consequently, it provides Members with emerging issues in respect of the whole range of areas to be covered in the formal annual report. It enables the Committee to monitor Internal Audit's performance.</p>
Risk Management Update	<p>The Risk Management function will report on whether best practice is being followed in the management of risk and how new risks are identified and existing risks are changing.</p>
Business Continuity update	<p>The Committee will be made aware of how the authority manages its own contingency and business recovery plans.</p>
Work Plan	<p>A forward looking programme of meetings and agenda items to ensure comprehensive coverage of the Committee's responsibilities.</p>
<u>27 March 2012</u>	
Grants Report to those charged with Governance	<p>External Auditors are required to report annually on the issues, amendments and qualifications arising from certification work of grant claims and returns. This report is important because it gives feedback on how effectively the Authority is managing the grants and subsidies it receives and administers.</p>
Internal Audit Plan for 2012/13	<p>The Head of Internal Audit must prepare a risk-based audit plan designed to implement the audit strategy that is fixed for a period of no longer than one year. The Committee is responsible for approving (but not directing) the plan.</p>
Audit Committee self assessment	<p>The Committee will be asked to agree the self-assessment – using the CIPFA document “measuring the effectiveness of the Audit Committee”.</p>

Appendix A

<u>Committee Date/Agenda Item</u>	<u>Notes</u>
Risk Management Update	The Risk Management function will report on whether best practice is being followed in the management of risk and how new risks are identified and existing risks are changing.
Business Continuity Update	The Committee will be made aware of how the authority manages its own contingency and business recovery plans.
Regulation of Investigatory Powers Act (RIPA)	To provide assurance that Cheshire East Council is complying with the requirements for covert surveillance under the Regulation of Investigatory Powers Act, 2000, (RIPA).
Anti Fraud & Corruption	The Anti–Fraud and Corruption Strategy includes a series of measures designed to prevent any attempted fraudulent or corrupt act and the steps to be taken if such an act occurs. Periodically Internal Audit should assure the Committee that the measures prescribed by the Strategy are operating effectively.
Governance	The Council’s Management is responsible for the governance arrangements (including the system of internal control). Periodically, Management should assure the Committee that the arrangements prescribed by the Code of Corporate Governance and described within the AGS are operating effectively. The Committee must be informed of any major changes made to the arrangements.
Whistleblowing	The Whistleblowing Policy includes a series of measures designed to encourage staff to raise concerns and the steps to be taken to investigate such concerns. Periodically Management should assure the Committee that the policy is operating effectively
Work Plan	A forward looking programme of meetings and agenda items to ensure comprehensive coverage of the Committee’s responsibilities.
<u>Unallocated</u>	It should be noted that the following items will be presented to the Committee but have not, as yet, been allocated to a specific agenda.
Internal Audit Terms of Reference	The terms of reference for Internal Audit will be amended and put to the Committee for approval following publication of CIPFA’s <i>‘The Role of the Head</i>

<u>Committee Date/Agenda Item</u>	<u>Notes</u>
Internal Audit Strategy	<p><i>of Internal Audit in Local Government'</i></p> <p>A revised Internal Audit Strategy will be put to the Committee for approval, but not direction, following publication of CIPFA's '<i>The Role of the Head of Internal Audit in Local Government</i>'</p> <p>It should be noted that the following items may, subject to requirement, be presented to the Committee.</p>
Code of Corporate Governance	<p>The Committee is responsible for developing the Council's Code of Corporate Governance which is used as a basis for self-assessment, continuous improvement and as a contributor to producing the AGS. Hence it needs to approve any proposed changes to it.</p>
Customer Complaints	<p>The Committee is charged with seeking assurance that customer complaint arrangements are robust.</p>
Insurance	<p>The Committee is responsible for, overseeing and agreeing the arrangements for Members to be indemnified for and insured against risks and liabilities arising from the performance of their duties as Members of the Council, and as the Council's representatives on outside bodies.</p>
Anti-Money Laundering	<p>The Council is required to have procedures in place for the detection and disclosure of incidents of suspected money laundering and terrorism financing. This Policy aims to establish prudent and responsible anti-money laundering controls and reporting arrangements designed to detect and avoid involvement in the offences described in Regulations The Policy is considered by the Committee before approval by Cabinet. Hence it needs to be made aware of and endorse any changes to the Policy.</p> <p>Periodically Management could assure the Committee that the measures prescribed by the Policy are operating effectively.</p>
Treasury Management	<p>CIPFA's Code of Practice requires that members are tasked with treasury management responsibilities, including scrutiny of the treasury management function.</p>