

# CHESHIRE EAST COUNCIL

## REPORT TO: Audit and Governance Committee

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**Date of meeting:** 24 September 2015  
**Report of:** Audit Manager  
**Title:** Work Plan 2015/16  
**Portfolio Holder:** Councillor Peter Groves

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### **1.0 Report Summary**

1.0 The report presents an updated Work Plan (Appendix A) for the remainder of 2015/16 financial year for consideration.

### **2.0 Recommendation**

2.1 That the Committee:

- consider the Work Plan and determine any required amendments; and
- note that the plan will be periodically brought back to the Committee for development and approval.

### **3.0 Reasons for Recommendations**

3.1 The Audit and Governance Committee has a key role in overseeing and assessing the Council's risk management, control and corporate governance arrangements. It advises the Council on the adequacy and effectiveness of these arrangements. A forward looking programme of meetings and agenda items is necessary to assist the Committee to fulfil its responsibilities.

### **4.0 Wards Affected**

4.1 All wards.

### **5.0 Local Ward Affected**

5.1 Not applicable.

### **6.0 Policy Implications**

6.1 Not applicable.

## **7.0 Financial Implications (Authorised by the Chief Operating Officer)**

7.1 When reviewing the Work Plan, Members will need to consider the resource implications of any reviews they wish to carry out both in terms of direct costs and in terms of the required officer support.

## **8.0 Legal Implications (Authorised by the Head of Legal Services)**

8.1 The Accounts and Audit Regulations 2015 revoke the Accounts and Audit Regulations 2011 (S.I. 2011/817), although those regulations continue to have effect in relation to financial years ending on or before 31<sup>st</sup> March 2015.

8.2 The Work Plan for 2015/16 needs therefore to take account of the requirements of the Accounts and Audit (England) Regulations 2011 and The Accounts and Audit Regulations 2015.

## **9.0 Risk Assessment**

9.1 Effective internal control and the establishment of an audit committee can never eliminate the risks of serious fraud, misconduct or misrepresentation of the financial position. However, an effective audit committee can:

- raise awareness of the need for robust risk management, control and corporate governance arrangements and the implementation of audit recommendations
- increase public confidence in the objectivity and fairness of financial and other reporting
- reinforce the importance and independence of internal and external audit and any other similar review process
- provide additional assurance through a process of independent and objective review

## **10.0 Background and Options**

10.1 Aspects of the Audit and Governance Committee agenda are determined by statutory requirements such as the Statement of Accounts and Annual Governance Statement. Outside these agenda items, the Committee should aim to manage its agenda according to its assurance needs to fulfil its terms of reference. The Committee is asked to consider the contents of the Work Plan (Appendix A) and establish any amendments that will enable it to meet its responsibilities. In doing so it should be noted that the following changes have been made to the programme that was discussed in June 2015:

- a report on the appointment of Independent Persons under the Localism Act 2011 has been added to the September agenda at the request of the Head of Legal Services and Monitoring Officer;
- the Plan has been drafted for the remainder of 2015/16; and
- the Annual Report of the Chair of the Audit & Governance Committee, the Risk Management Policy Update Report, the Internal Audit Interim Report and a presentation considering the assurance framework for Health and Wellbeing will be presented in December in order to balance the number of agenda items and the need to give the business of the September Committee sufficient focused attention.

10.2 In order to help with their deliberations, Members are asked to consider whether:

- the inclusion of each item on its agenda results in assurance added value; as
  - the assurance process has a cost to the organisation and it should therefore be proportional to the risk
  - care should be taken to avoid duplication and maintain the focus of an audit committee on its core functions as defined by its terms of reference rather than wider issues that are subject to the work of other committees or assurance functions.
- there are any time consuming aspects of Committee business that could be more effectively addressed elsewhere; as
  - an audit committee should operate at a strategic level. Care should be taken to avoid straying into matters of operational detail that should be resolved by service managers
  - the number and frequency of reports should be proportional to the risk in order to give the core business of an audit committee sufficient focus and attention and to avoid lengthy and thus unproductive meetings.

10.3 The Work Plan will be re-submitted to the Committee for further development and approval.

## 11.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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