

# CHESHIRE EAST COUNCIL

## REPORT TO: Audit and Governance Committee

---

**Date of meeting:** 17 March 2016  
**Report of:** Corporate Manager Governance and Audit  
**Title:** Work Plan 2015/16  
**Portfolio Holder:** Councillor Peter Groves

---

### **1.0 Report Summary**

1.0 The report presents an updated Work Plan (Appendix A) to the Committee for consideration.

### **2.0 Recommendation**

- 2.1 That the Committee:
- i. note the changes to the 2015/16 Work Plan since it was last discussed in January
  - ii. consider the draft agenda for June 2016 and determine any required amendments
  - iii. note that the 2016/17 plan will be brought back to the Committee in June 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 enable 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 has therefore taken 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:

- following discussions at the December 2015 meeting of this Committee it was resolved that the Committee receive a regular report on the use of waivers in contract procurement. This was in order to provide greater scrutiny of their use, and the report would

include every waiver approved from that date on. It was noted this additional scrutiny would not hold up procurement activity as the WARN's covered by the report were for comment/noting not for approval.

- following presentation of the Risk Management Update Report and the Corporate Risk Register to Management Group Board (MGB) on 24 February 2016, these reports have been deferred to the June 2016 meeting of this Committee. This is to enable MGB to hold a workshop to facilitate the detailed review of all corporate risks and their mitigating controls.
- the Audit and Governance Committee Self-Assessment report will be presented to the June 2016 meeting as Members were provided with an update in December 2015. This will also allow further consideration to take place at the Member/Officer subgroups.
- a presentation has been added to the agenda detailing the arrangements for publishing forward plans relating to key decisions and performance against these arrangements.
- further discussion in the specialist Member/Officer groups is necessary in order to draft a Work Plan that extends beyond June 2016. It is proposed, therefore, that the draft Plan for the remainder of 2016/17 will be brought back to Committee in June for approval

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 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:

**Name:** Andrew North

**Designation:** Corporate Manager Governance and Audit

**Tel No:** 01270 686226

**Email:** [andrew.north@cheshireeast.gov.uk](mailto:andrew.north@cheshireeast.gov.uk)