

<b><u>Committee Date/Agenda Item</u></b>	<b><u>Notes</u></b>
<b><u>30 June 2011</u></b>	
Appointment of Appeals Sub-Committee	The Committee considered proposed interim arrangements for considering appeals through the appointment of an Appeals Sub Committee.
Annual Audit Fees 2011/12	The Audit Commissions letter on the Annual Audit Fee for 2011/12 was received and the proposed work programme, indicative fees and associated budgetary implications noted.
Progress Report – Audit 2010 -11	The Committee noted the report which provided progress against the Audit Commission’s 2010 -11 Audit Plan.
Draft Statement of Accounts/Annual Governance Statement (AGS)	The Committee noted the report which provided an update on the process and timetable for the approval of the Statement of Accounts/AGS.
Internal Audit Annual Report	The Committee noted the Internal Audit Annual Report for 10/11.
Risk Management Update Report	The Committee considered the update report on risk management
Risk Management Policy Review	The Committee endorsed an updated Risk Management Policy prior to the policy being submitted to Cabinet for approval.
Business Continuity Update	The actions in place to ensure that the Council is able to deliver key functions in an emergency were noted.
Whistleblowing Policy	The Committee endorsed a revised Whistleblowing Policy prior to approval by full Council on the recommendation of the Constitution Committee.
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’ were noted by the Committee
Work Plan	The Work Plan, including the changes made since the previous meeting and the implications of the Accounts and Audit Regulations 2011 were noted.

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<p><b><u>29 September 2011</u></b></p> <p>Annual Governance Report, Auditors' report on Financial Statements and Value for Money conclusion.</p> <p>Statement of Accounts</p> <p>AGS</p> <p>Internal Audit Update</p> <p>Risk Management Update</p>	<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"> <li>• the accounts presented fairly the financial position of the authority and its expenditure and income for the year in question; and</li> <li>• the accounts have been prepared properly in accordance with relevant legislation and applicable accounting standards.</li> </ul> <p>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</p> <p>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</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 for 11/12. It enables the Committee to monitor Internal Audit's performance.</p> <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>

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Customer Complaints	A report on Local Government Ombudsman complaints and customer complaints to enable Members to be assured that arrangements in place are sufficiently robust
Breach of Contract Procedure Rules	A report outlining the reasons for the non-compliance and the steps taken to prevent a re-occurrence
Work Plan	A forward looking programme of meetings and agenda items to ensure comprehensive coverage of the Committee's responsibilities.
<b><u>31 January 2012</u></b>	
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.
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.
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

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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"> <li>• undertaking an assessment of the risk that the financial statements may be materially mis-stated due to fraud</li> <li>• identifying and responding to risks of fraud in the organisation</li> <li>• communication to employees of views on business practice and ethical behavior</li> <li>• communication to those charged with governance the processes for identifying and responding to fraud</li> </ul> <p>2) How the Committee oversees management processes to identify and respond to the risk of fraud and possible breaches of internal control</p> <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>
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. It enables the Committee to monitor Internal Audit's performance.
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.

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Business Continuity update	The Committee will be made aware of how the authority manages its own contingency and business recovery plans.
Work Plan	A forward looking programme of meetings and agenda items to ensure comprehensive coverage of the Committee's responsibilities.
<b><u>27 March 2012</u></b>  Grants Report to those charged with Governance  Internal Audit Plan for 2012/13  Audit Committee self assessment  Risk Management Update  Business Continuity Update  Regulation of Investigatory Powers Act (RIPA)  Anti Fraud & Corruption	  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.  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.  The Committee will be asked to agree the self-assessment – using the CIPFA document “measuring the effectiveness of the Audit Committee”.  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.  The Committee will be made aware of how the authority manages its own contingency and business recovery plans.  To provide assurance that Cheshire East Council is complying with the requirements for covert surveillance under the Regulation of Investigatory Powers Act, 2000, (RIPA).  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

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<p>Governance</p> <p>Whistleblowing</p> <p>Work Plan</p>	<p>prescribed by the Strategy are operating effectively.</p> <p>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.</p> <p>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</p> <p>A forward looking programme of meetings and agenda items to ensure comprehensive coverage of the Committee's responsibilities.</p>
<p><b><u>Unallocated</u></b></p> <p>Annual Report</p> <p>Internal Audit Terms of Reference</p> <p>Internal Audit Strategy</p> <p>Code of Corporate Governance</p>	<p><b>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.</b></p> <p>The Chairman's Annual Report for confirmation before submission to full Council</p> <p>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 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><b>It should be noted that the following items may, subject to requirement, be presented to the Committee.</b></p> <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</p>

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Insurance	<p>changes to it.</p> <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>