

CHESHIRE EAST COUNCIL

Audit and Governance Committee

Date of meeting: 31st January 2013
Report of: Chief Executive / Director of Finance & Business Services
Title: Work Plan 2012/13
Portfolio Holder: Councillor Peter Raynes

1.0 Report Summary

1.0 To present an updated Work Plan to the Committee for consideration.

2.0 Recommendation

2.1 That the Committee

(1) consider the Work Plan and determine any required amendments;

(2) note the changes to the plan since it was last discussed in September 2012; and

(3) 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 risk management, control and corporate governance arrangements and advising the Council on the adequacy and effectiveness of these arrangements. A forward looking programme of meetings and agenda items is necessary to ensure that the Committee fulfils 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

- 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

- 8.1 The Work Plan must take account of the requirements of the Accounts and Audit Regulations 2011.

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

- 9.2 A comprehensive Work Plan is necessary to ensure that the Committee fulfils its responsibilities.

10.0 Background and Options

- 10.1 A forward looking programme of meetings and agenda items to ensure comprehensive coverage of the Committee's responsibilities has been attached at Appendix A of this report. The Committee is asked to consider the contents of the Work Plan and establish any additional agenda items/training/briefing sessions 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 September 2012:

- On 27th September the Audit and Governance Committee considered the Audit Commission's Annual Governance Report (AGR), including recommendations for improvement. The Council's response (Action Plan) to the recommendations was referred to in

the meeting, with the expectation that the Committee would consider the response at this meeting. However, it should be noted that Cabinet approved the Council's response to the AGR recommendations in December 2012.

- The approved response was published as an appendix to the Audit Commission's Annual Audit Letter that was noted by Council in December 2012.
- Consequently, progress against the Action Plan is included on this agenda together with the Annual Audit Letter.

10.2 Furthermore, the Committee is asked to note that:

- the Public Sector Internal Audit Standards (PSIAS) come into effect on 1 April 2013
- CIPFA will provide guidance on the application of the new standards in the form of the Local Government Application Note (due in March 2013)
- It is therefore our intention to carry out a review of the current Internal Audit Terms of Reference and Internal Audit Strategy against the standards and guidance with a view to bringing a report to Committee in June 2013.

10.3 Following the resolution of this Committee in September 2012 the Work Programme has been discussed in the specialist Member/Officer groups. However, further discussion is necessary in order to draft a Work Programme for 2013/14 that can be presented to Committee in March.

11.0 Access to Information

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

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