

CHESHIRE EAST COUNCIL

REPORT TO: Audit and Governance Committee

Date of meeting: 30 January 2014
Report of: Audit Manager
Title: Work Plan 2013/14
Portfolio Holder: Councillor Peter Raynes

1.0 Report Summary

- 1.0 To present an updated Work Plan for 2013/14 to the Committee for consideration.

2.0 Recommendation

- 2.1 That the Committee:

- § consider the Work Plan for 2013/14 and determine any required amendments,
- § note the changes to the plan since it was last discussed in November 2013, 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 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 changes 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 November 2013:

- The Standards Review Report has been deferred until the Head of Legal and Monitoring Officer takes up her post in February 2014. The report will be presented to the Audit and Governance Committee in March 2014.

- A report outlining the proposed governance and stewardship arrangements and the overall control environment for the operation of the new Alternative Service Delivery Vehicles has been added to the January 2014 Agenda.
- A report on how the Audit and Governance Committee gain assurance over management processes and arrangements in place to prevent and detect fraud and to ensure compliance with law and regulation has been deferred following discussion with the Council's external auditors. It is anticipated that this report will be included as part of the March Agenda.

10.2 In order to help with their deliberations regarding the Work Plan, Members are asked to consider whether:

- the inclusion of each item on its agenda results in added value
 - 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
 - an audit committee should operate at a resolutely 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

10.6 It should be noted that the Work Plan will be re-submitted to the Committee periodically 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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