

Audit & Governance Committee

Date of Meeting: 27 September 2018

Report Title: Committee Work Plan 2018/19

Senior Officer: Jan Willis, Interim Executive Director of Corporate Services

1. Report Summary

- 1.1. This report presents the Committee's Work Plan for the remaining meetings in 2018/19 (Appendix A) to the Committee for consideration.

2. Recommendations

- 2.1. That the Committee:
- 2.1.1. Consider the Work Plan and determine any required amendments;
 - 2.1.2. Note that the plan will be brought back to the Committee throughout the year for further development and approval.

3. 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. Other Options Considered

- 4.1. Not applicable

5. Background

- 5.1. Aspects of the Audit and Governance Committee's 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.

- 5.2. The Committee should also consider whether there are any further requirements for the Work Plan arising from the Committee's earlier consideration of its Terms of Reference against CIPFA's updated guidance; "Practical Guidance for Local Authorities and Police" (2018).
- 5.3. By identifying the key topics to be considered at the Audit and Governance Committee meetings, and receiving appropriate reports, Committee Members are able to undertake their duties effectively and deliver them to a high standard. In turn, this adds to the robustness of the risk management framework, the adequacy of the internal control environment and the integrity of the financial reporting and corporate governance of the Council.
- 5.4. Members will recognise that some items are brought to Committee on a more regular basis than others and ensure that statutory requirements are complied with. There are also individual requirements of the Committee's Terms of Reference which are only used on an ad-hoc basis.
- 5.5. In order to help with their deliberations, Members are asked to consider the following:
 - 5.5.1. 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.
 - 5.5.2. 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
 - 5.5.3. 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.
- 5.6. The Work Plan will be re-submitted to the Committee for further development and approval at each subsequent meeting.
- 5.7. At the July 31st Meeting, Members had asked that an item on reviewing the findings and any governance implications from the recent Employment Tribunal Case be brought to the next meeting. In order to avoid duplication of work, the Interim Executive Director of Corporate Services undertook to check with the Chairman of the Staffing Committee to see if that Committee was planning to do a review. The Staffing Committee will receive a report on the lessons learned from the Case at its meeting on 4th October 2018.

5.8. In agreement with the Committee Chair, the following reports which had initially been scheduled for the 27th September 2018 meeting have been re-scheduled for future meetings of the Committee.

5.8.1. The certification report from the External Auditors will be brought to the December 2018 committee.

5.8.2. The Committee had requested regular updates on the progress of arrangements in relation to the General Data Protection Regulations, which have been brought to recent committees. As work in the area has moved from change activity to business as usual, it has been agreed that an annual assurance report will be considered by the committee.

5.8.3. A report on the impact of CIPFA's updated guidance on Audit Committee's on the Committee's Terms of Reference has been included on the Committee's agenda for this meeting.

5.8.4. A report on the outcome of the external assessment of Internal Audit against the Public Sector Internal Audit Standards has been included on the Committee's agenda for this meeting.

5.8.5. Previously included as an unscheduled items is a report on Member Declarations of Interest, included at the request of Members. It would be helpful if Members could advise the Monitoring Officer on the type of organisations and memberships which should be considered in the scope of the report, and the rationale for their inclusion. Comments by the end of October 2018 would assist in the preparation of the report for the December 2018 agenda.

5.9. Legal Implications

5.9.1. The Work Plan for 2018/19 complies with the requirements of the Accounts and Audit Regulations 2015.

5.10. Finance Implications

5.10.1. 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.

5.11. Equality Implications

5.11.1. There are no direct implications for equality in this report. The Audit and Governance Committee receives assurances from across the organisation

5.12. Human Resources Implications

5.12.1. Members should be satisfied that the inclusion of each item on its agenda results in added value, as the assurance process has a

resource implication to the organisation and should therefore be proportional to the risk.

5.13. Risk Management Implications

- 5.13.1. 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:

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

5.14. Rural Communities Implications

- 5.14.1. There are no direct implications for rural communities.

5.15. Implications for Children & Young People

- 5.15.1. There are no direct implications for children and young people.

5.16. Public Health Implications

- 5.16.1. There are no direct implications for public health.

6. Ward Members Affected

- 6.1. All wards affected.

7. Consultation & Engagement

- 7.1. The proposed Work Plan for 2018/19 was prepared following discussion with key officers who regularly provide updates to the Audit and Governance Committee. The proposed Work Plan was also discussed with the Committee Chair and Vice Chair and was considered by the Corporate Leadership Team prior to presentation to the Committee in March 2018.

8. Access to Information

- 8.1. Not applicable.

9. Contact Information

- 9.1. Any questions relating to this report should be directed to the following officers:

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