

# AUDIT COMMITTEE

25 MARCH 2021

## REPORT OF ASSISTANT DIRECTOR (FINANCE & IT)

### A.2 AUDIT COMMITTEE WORK PROGRAMME 2021/22

(Report prepared by Richard Barrett)

#### PART 1 – KEY INFORMATION

##### **PURPOSE OF THE REPORT**

To present for approval the Audit Committee's proposed work programme covering the period April 2021 to March 2022.

##### **EXECUTIVE SUMMARY**

A work programme covering the period April 2021 to March 2022 has been prepared which continues to reflect the significant element of regulatory / statutory activity required along with other associated work, which falls within the responsibilities of the Audit Committee.

##### **RECOMMENDATIONS**

**That the Audit Committee approves its Work Programme for 2021/22.**

#### PART 2 – IMPLICATIONS OF THE DECISION

##### **DELIVERING PRIORITIES**

The existence of sound governance, internal control and financial management practices and procedures are essential to the delivery of the Corporate priorities supported by effective management and forward planning within this overall framework.

##### **FINANCE, OTHER RESOURCES AND RISK**

###### **Finance and other resources**

Although there are no significant financial implications associated with the work programme of the Committee, additional officer time or resources may be required to support the activities of the Committee and existing budgets will be reviewed as appropriate if the potential for additional costs arises.

###### **Risk**

The work programme of the Committee covers a mix of governance arrangements along with statutory and regulatory functions. The work programme aims to address these areas of responsibility within related timescales and deadlines to support, protect and enhance the Council's reputation and governance framework.

##### **LEGAL**

Statutory and regulatory requirements have been recognised within the work programme.

## **OTHER IMPLICATIONS**

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

**Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.**

The work programme has no direct impact on these issues although they could feature within areas of work falling within the remit of the Audit Committee in future, which would be addressed specifically as and when they arise.

## **PART 3 – SUPPORTING INFORMATION**

### **PROPOSED WORK PROGRAMME 2021/22**

The Audit Committee has a wide-ranging area of responsibility with statutory and regulatory functions making up a significant element of their work. The meetings of the Committee are scheduled around a quarterly basis subject to the work required of the Committee to support the statutory and regulatory timescales and deadlines. The Audit Committee's work programme therefore needs to take account of various demands whilst balancing a number of activities within the planned number of meetings scheduled for the year.

In addition to the regulatory and statutory activities undertaken by the Committee such as the Statement of Accounts, Corporate Governance and Risk Management, the Committee are also required to review and scrutinise:

- The work and performance of the Internal Audit function;
- The outcomes from the work of the Council's External Auditor;
- Progress against audit recommendations and other items identified by the Committee.

During the year other matters apart from those set out above may be presented to the Committee for consideration. Given the on-going regulatory and statutory workload and the various additional activities undertaken by the Committee, any additional items that may arise will need to be considered against the proposed work programme and included for reporting at the appropriate meeting, or considered for inclusion in subsequent work programmes.

Although not included in the formal work programme, it is recognised that the Committee may wish to develop training opportunities, especially going into 2021/22 following the revised mandatory training requirements for members of the Committee. Such opportunities will either form part of future meetings or, where necessary, separate arrangements made.

There has been a significant impact on resources over the past year due to the on-going COVID 19 pandemic, which has had a knock-on effect on the timing of specific activities and associated reporting, so it has not been possible to present a number of items originally planned for the March meeting of the Committee. However, in consultation with the Chairman of the Committee, it is proposed to include an additional meeting in April 2021 to enable these outstanding items to be completed and presented to the Committee

as timely as possible, given the next formal meeting after March would ordinarily be in July.

Another impact from COVID 19 is the change in the timetable for the production and audit of the Council's Statement of Accounts. The Government have decided to implement this change on an initial two year period, which reflects their initial response to the wider Redmond review recommendations. The change to the timetable is as follows:

Key Activity	Existing Date	Revised Date
Publication date for <b>Draft</b> Statement of Accounts (Pre-Audit)	1 June	1 August
Publication date for <b>Final</b> Statement of Accounts (Audited)	31 July	30 September

The above change can be accommodated within the existing timetable of meetings, but the Final Statement of Accounts will now be presented to the September meeting of the Committee instead of the July meeting of the Committee.

In addition to the above, the Council is still waiting for the Government's response to the wider Redmond review into the effectiveness of external audit. It is currently proposed to update the Committee as part of the Table of Outstanding Issues reports included within the work programme rather than it featuring as a standalone item. However, this will be reviewed once the Government have formally announced their response.

Taking into account the responsibilities of the Audit Committee as highlighted above the proposed work programme covering the period from April 2021 up to and including March 2022 is set out in the **Appendix**.

As the year progresses, it may be necessary to review items as some reports / activities and associated timescales may be subject to change or need to be flexible, especially given the current impact of the coronavirus pandemic which may see disruption continue over a prolonged period of time. As appropriate, the Chair of the Committee will be consulted on any significant changes if required.

#### **BACKGROUND PAPERS FOR THE DECISION**

None

#### **APPENDICES**

**APPENDIX** – Audit Committee Work Programme 2021/22

**A.2 APPENDIX**

**Audit Committee Work Programme 2021/22**

<b>Audit Committee Meeting</b>	<b>Item</b>	<b>From</b>
<b>April 2021</b>	Internal Audit Regular Monitoring Report	Internal Audit
	External Audit - Audit Plan for Year Ending March 2021	External Audit
	Certification of Claims and Returns Annual Report	External Audit / Assistant Director Finance & IT
	Corporate Risk Update <i>(including outcomes from annual cyber security self-assessment)</i>	Assistant Director Finance & IT
	Anti-Fraud and Corruption Strategy – Annual Review	Assistant Director Finance & IT
	Table of Outstanding Issues <i>(Including update against External Audit Recommendations and Annual Governance Statement Actions)</i>	Assistant Director Finance & IT
<b>July 2021</b>	Annual Report of the Head of Internal Audit 2020/21	Internal Audit
	Internal Audit Regular Monitoring Report <i>(Including annual review of the Internal Audit Charter)</i>	Internal Audit
	Corporate Risk Update <i>(including outcomes from annual cyber security self-assessment)</i>	Assistant Director Finance & IT
	Table of Outstanding Issues <i>(Including update against External Audit Recommendations and Annual Governance Statement Actions)</i>	Assistant Director Finance & IT
<b>September 2021</b>	Internal Audit Regular	Internal Audit

	Monitoring Report	
	Audit Completion Report 2020/21  (Including Statement of Accounts 2020/21, outcomes from the annual review of the Council's Code of Corporate Governance and Annual Governance Statement 2020/21)	External Audit / Assistant Director Finance & IT
	Table of Outstanding Issues  <i>(Including update against External Audit Recommendations and Annual Governance Statement Actions)</i>	Assistant Director Finance & IT
<b>January 2022</b>	Internal Audit Regular Monitoring Report	Internal Audit
	Annual Audit Letter 2020/21	External Audit
	Corporate Risk Update  <i>(including outcomes from annual cyber security self-assessment)</i>	Assistant Director Finance & IT
	Anti-Fraud and Corruption Strategy – Annual Review	Assistant Director Finance & IT
	Table of Outstanding Issues  <i>(Including update against External Audit Recommendations and Annual Governance Statement Actions)</i>	Assistant Director Finance & IT
<b>March 2022</b>	Internal Audit Regular Monitoring Report	Internal Audit
	Internal Audit Plan 2022/23  <i>(Including annual review of Internal Audit Charter)</i>	Internal Audit
	External Audit - Audit Plan for Year Ending March 2022	External Audit
	Risk Based Verification Policy – Annual Review	Assistant Director Finance & IT

	Certification of Claims and Returns Annual Report	External Audit / Assistant Director Finance & IT
	Audit Committee's Work Programme 2022/23	Assistant Director Finance & IT
	Table of Outstanding Issues <i>(Including update against External Audit Recommendations and Annual Governance Statement Actions)</i>	Assistant Director Finance & IT