

Audit Committee Work Programme and Terms of Reference

Report of the Head of Finance and Revenues

Recommendation:

That the work programme for the Audit Committee, as set out in Annex 2 to the report, be approved.

Summary:

- Council has recently established an Audit Committee to undertake the duties previously performed by the Audit Panel of the Overview and Scrutiny Committee (OSCOM) as well as specific functions that were undertaken by OSCOM and the General Purposes Committee.
- This report sets out a proposed work programme for the Audit Committee for its first year.

1 Background

- 1.1 In recent years, there have been a number of high profile failures of local authorities. These have highlighted the need for ensuring strong internal governance arrangements are in place to prevent similar occurrences from happening in other Councils.
- 1.2 Against this background, at its meeting on 6th April 2022, Council approved changes to its internal governance structure by establishing an Audit Committee.
- 1.3 Further information on the reasoning and justification for that decision was included in the Council report. This included recommendations from the Council's external auditor, Ernst & Young, and best practice guidance issued by CIPFA.
- 1.4 The Terms of Reference for the Audit Committee that were approved at the Council meeting are attached as Annex 1.
- 1.5 These Terms of Reference have been used as the basis for preparing a draft work programme for the Audit Committee for its meetings in the 2022/23 financial year. The draft work programme is attached as Annex 2.

2 Options

- 2.1 The options are whether to approve the work programme or make modifications to it.

3 Option Appraisal

- 3.1 The Head of Finance & Revenues, Head of Legal & Democratic Services and Internal Audit Manager have assessed the work previously undertaken by the Audit Panel, as well as those specific functions (such as approval of the Statement of Accounts) previously undertaken by other Committees, that form the responsibilities of the new Audit Committee.
- 3.2 The draft work programme covers all cyclical matters that can be planned in advance as regular work items. Additional items may be added throughout the year as and when the need arises.

4 Risk Management

- 4.1 An evaluation of the risks indicate that the existing controls in place mean that no significant risks have been identified at this time.

5 Resource Implications

- 5.1 The Audit Plan for 2022/23 has been based on the expected resources of the Internal Audit team. There are no additional resource requirements arising from this item.

6 Legal Implications

- 6.1 There are no legal implications arising from the recommendations in this report.

7 Conclusion and reasons for recommendation

- 7.1 The proposed work programme for the Audit Committee is based on the work previously carried out by the Audit Panel and those functions of other Committees that have been transferred to it.
- 7.2 It is therefore considered to provide a sound basis for the work required to be carried out by the Audit Committee during the year. There will be opportunities to add or amend items on this programme throughout the year.

<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
None			
<u>Confidentiality</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
No of Annexes:	2	File Ref:	N/A
Officer:	Carl Whatley	Ext:	8540
Report to:	Audit Committee	Date:	20 June 2022