

<b>Audit Committee Work Plan – 2015/16</b>		
<b>20<sup>th</sup> July 2015</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
<b>Core Business</b>		
<ul style="list-style-type: none"> <li>Internal Audit Progress Report</li> </ul>	<p>Understand the level of assurances being given as a result of audit work and their impact on the Council's governance, risk and control environment.</p> <p>Ensure management action is taken to improve controls / manage risks identified.</p> <p>Encouraging ownership of the internal control framework by appropriate managers</p> <p>Confirm appropriate progress being made on the delivery of the audit plan and performance targets</p>	<p>To consider reports dealing with the management and performance of internal audit</p> <p>To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale</p>
<p>Annual review of the effectiveness of the Council's Internal Audit Function</p>	<p>To consider how well the Internal Audit Functions is performing:</p> <ul style="list-style-type: none"> <li>Is it what you want – independent, objective and provide a knowledgeable view of how well the Council is being run?</li> <li>Conforms to the Public Sector Internal Audit Standards?</li> <li>Has an effective Quality Assurance framework?</li> <li>Successfully delivers results that make a difference in how well the Council is run?</li> </ul>	<p>Council maintains an effective internal audit service</p>
<ul style="list-style-type: none"> <li>Review of Head of Internal Audit's Annual Report and Opinion 2015</li> </ul>	<p>Gain an understanding of the level of assurances being provided by the Head of Internal Audit over the Council's governance, risk and internal control arrangements and why.</p>	<p>To consider reports dealing with the management and performance of internal audit</p> <p>To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale</p>

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		<p>To oversee the production of the Council's Annual Governance Statement and to recommend its adoption</p> <p>To consider the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice</p>
<ul style="list-style-type: none"> <li>Review of the Council's Governance and Assurance Arrangements and the Draft Annual Governance Statement 2015</li> </ul>	<p>Confirm that the Annual Governance Statement reflects the Committee's understanding of how the Council is run and that any significant governance issues / risks have been identified / published.</p> <p>Constructively challenge the information and evidence being presented.</p> <p>Ensuring value for money assurance arrangements are reported on and assessing how this features in the Annual Governance Statement.</p> <p>Improving how the Council discharges its responsibilities for public reporting e.g. better targeting at the audience and plain English</p>	<p>To oversee the production of the Council's Annual Governance Statement and to recommend its adoption</p> <p>To consider the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice</p>
<ul style="list-style-type: none"> <li>Scrutiny of the Council's Financial Statements 2014/15 (with specialist support/advisor)</li> </ul>	<p>By asking questions (supported by independent advisor), confirm the integrity of the Council's financial statements prior to audit / publication.</p> <p>Improving how the Council discharges its responsibilities for public reporting e.g. better targeting at the audience and plain English</p>	<p>To review the annual statement of accounts. Specifically to consider whether appropriate accounting policies have been followed and whether there are any concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council</p> <p>Duty to approve the authority's statement of accounts, income and expenditure and balance sheet.</p>

**Audit Committee Work Plan – 2015/16**

21st September 2015	Assurances Required / Being Sought	Relevancy – Terms of Reference
<b>Core Business</b>		
<ul style="list-style-type: none"> <li>Update on the Agresso project (Given the significance and impact of the project on performance and value for money - invite members of the Value for Money Committee to attend the Audit Committee for this item).</li> </ul>	<p>Assess the adequacy of the Council's financial control environment.</p> <p>Ensure any issues / risks identified are being effectively managed.</p> <p>Confirm that the recovery plan has been successfully delivered.</p> <p>Confirm that any impact on the 2015/16 financial statements has been identified and is being effectively managed.</p>	
<ul style="list-style-type: none"> <li>Internal Audit Progress Report</li> </ul>	<p>Understand the level of assurances being given as a result of audit work and their impact on the Council's governance, risk and control environment.</p> <p>Ensure management action is taken to improve controls / manage risks identified.</p> <p>Encouraging ownership of the internal control framework by appropriate managers</p> <p>Confirm appropriate progress being made on the delivery of the audit plan and performance targets</p>	<p>To consider reports dealing with the management and performance of internal audit</p> <p>To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale</p>
<ul style="list-style-type: none"> <li>External Audit Governance Report on the Audit of the Council's Financial Statements and their assessment of the Council's arrangements to secure Value for Money in its use of resources</li> </ul>	<p>Seek assurance over the adequacy of the External Audit opinion on the financial statements and the Council's value for money arrangements.</p> <p>Ensure any issues / risks identified are being effectively managed.</p>	<p>To consider the external auditor's annual letter, relevant reports and the report to those charged with governance.</p> <p>To consider specific reports as agreed with the external auditor.</p>

<b>Audit Committee Work Plan – 2015/16</b>		
		To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts
<ul style="list-style-type: none"> <li>Approval of the Council's Annual Governance Statement 2015</li> </ul>	<p>Confirm that the final Annual Governance Statement accurately reflects the Committees understanding of how the Council is run and any comments made on the draft have been acted upon.</p>	<p>To oversee the production of the Council's Annual Governance Statement and to recommend its adoption</p> <p>To consider the Council's compliance with its own and other published standards and controls.</p>
<ul style="list-style-type: none"> <li>Approval of the Council's Statement of Accounts for 2014/15</li> </ul>	<p>Consider the outcome of the External Audit and the appropriateness of management responses.</p> <p>Ensure that the explanatory forewords to their accounts help the public understand the authority's financial management of public funds.</p>	<p>To review the annual statement of accounts. Specifically to consider whether appropriate accounting policies have been followed and whether there are any concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council</p> <p>Duty to approve the authority's statement of accounts, income and expenditure and balance sheet.</p>
<ul style="list-style-type: none"> <li>Review of draft Annual Report on the work of the Audit Committee</li> </ul>	<p>Provide assurance that the Committee has adequately discharged its terms of reference and has positively contributed to how well the Council is run.</p>	
<ul style="list-style-type: none"> <li>Risk Management Progress Report</li> </ul>	<p>Gain assurance that the Council is effectively managing its key risks – has good risk management systems / processes in place that enable decision makers to understand the level of risk being taken and the Council is prepared to accept.</p> <p>That there has been no big surprises for the Council where it suffered significant financial loss or reputational damage.</p>	<p>To monitor the effective development and operation of risk management and corporate governance in the Council</p>
<b>23rd November 2015</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
<b>Core Business</b>		

<b>Audit Committee Work Plan – 2015/16</b>		
Counter Fraud Progress Report	<p>Confirm that the Council's counter fraud activity is targeted and effective.</p> <p>Ensure that appropriate progress is being made on the delivery of the Counter Fraud plan.</p> <p>Ensure that lessons have been learnt – understand fraud risks facing the Council and actions being taken to reduce the risk</p>	To monitor Council policies on confidential reporting code, anti-fraud and anti-corruption policy and the Council's complaints process. <sup>1</sup>
<ul style="list-style-type: none"> <li>Internal Audit – External Assessment</li> </ul>	Assurance over Internal Audit conformance with the Public Sector Internal Audit Standards	Council maintains an effective internal audit service
<ul style="list-style-type: none"> <li>Review of Audit Committee Terms of Reference</li> </ul>	Assurance that role and remit of the committee continues to meet best practice.	Council maintains an effective Audit Committee
<ul style="list-style-type: none"> <li>Annual Report reviewing the effectiveness of the Council's complaints and compliments process, including how well the Council has dealt with complaints as demonstrated by the Local Government Ombudsman's Report.</li> </ul>	That the Council's process and procedures for dealing with complaints and compliments is effective.	
<ul style="list-style-type: none"> <li>Review of compliance with Regulation of Investigatory Powers Act</li> </ul>		
<ul style="list-style-type: none"> <li>Whistleblowing Annual Report</li> </ul>		
<b>Other Assurance</b>		
<p>Invite Executive Directors to a meeting to look in more depth at their assurance arrangements – seeking assurance that:</p> <ul style="list-style-type: none"> <li>We are maintaining good governance during times of change.</li> <li>Understand the assurance framework through times of change and associated with the Commissioning Strategies. Particularly the impact on the assurance framework resulting from these changes, for example, senior management review, fundamental budget</li> </ul>	<p>Gain understanding of the impact of change on the Council's governance, risk and control arrangements.</p> <p>Seeking assurance that they continue to work well.</p>	<p>To review any issues referred to it by the Chief Executive, Director or any council body</p> <p>To consider the Council's compliance with its own and other published standards and controls.</p>

Audit Committee Work Plan – 2015/16		
review and the impact on the 1 <sup>st</sup> and 2 <sup>nd</sup> lines of assurance (management / corporate functions).		
January 2016	Assurances Required / Being Sought	Relevancy – Terms of Reference
<b>Core Business</b>		
<ul style="list-style-type: none"> <li>Internal Audit Progress Report</li> </ul>	<p>Understand the level of assurances being given as a result of audit work and their impact on the Council's governance, risk and control environment.</p> <p>Ensure management action is taken to improve controls / manage risks identified</p> <p>encouraging ownership of the internal control framework by appropriate managers</p> <p>Encouraging ownership of the internal control framework by appropriate managers</p> <p>Confirm appropriate progress being made on the delivery of the audit plan and performance targets</p>	<p>To consider reports dealing with the management and performance of internal audit</p> <p>To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale</p>
<ul style="list-style-type: none"> <li>External Audit Progress Report and Plan</li> </ul>	<p>Seek assurance over progress and delivery of the external audit plan and that any risks to successful production of the financial statements and audit are being managed.</p> <p>Note: Further assurance needed around impact / risks associated with early close down.</p>	<p>To comment on the scope and depth of external audit work and to ensure it gives value for money</p>
<ul style="list-style-type: none"> <li>Update on action re Annual Governance Statement 2015</li> </ul>	<p>Gain assurance that management have progressed the agreed actions associated with the significant issues / key risks identified in the Annual Governance Statement.</p>	<p>To oversee the production of the Council's Annual Governance Statement and to recommend its adoption</p> <p>To consider the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice</p>

<b>Audit Committee Work Plan – 2015/16</b>		
<ul style="list-style-type: none"> <li>Review of Accounting Policies</li> </ul>	<p>Seek assurance that the Council has appropriate accounting policies in place to ensure that items are treated correctly in the accounts.</p>	<p>To review the annual statement of accounts. Specifically to consider whether appropriate accounting policies have been followed and whether there are any concerns arising from the financial statements or from the audit hat need to be brought to the attention of the Council</p>
<b>Other Assurance</b>		
<ul style="list-style-type: none"> <li>Combined Assurance Status Reports</li> </ul>	<p>Understand the level of assurances being provided on the Council's critical systems, key risks and projects and how they link to the Committees role and remit and the Annual Governance Statement.</p>	<p>To consider the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice</p>
<b>March 2015</b>	<b>Assurances Required / Being Sought</b>	<b>Relevancy – Terms of Reference</b>
<b>Core Business</b>		
<ul style="list-style-type: none"> <li>Draft Internal Audit Plan 2016/17</li> </ul>	<p>That the Internal Audit Plan focuses on the key risks facing the Council and is adequate to support the Head of Audit opinion.</p> <p>Confirm that the plan achieves a balance between setting out the planned work for the year and retaining flexibility to changing risks and priorities during the year.</p> <p>Ensure that the Internal Audit Resource has sufficiently capacity and capability to deliver the plan.</p> <p>Seek an understanding of what assurances Internal Audit will be providing the Committee to help it discharge its terms of reference.</p>	<p>To consider reports dealing with the management and performance of internal audit</p>
<ul style="list-style-type: none"> <li>Draft Counter Fraud Plan 2016/17</li> </ul>	<p>Gain assurance that the Council has effective arrangements in plane to fight fraud locally.</p> <p>Ensure that counter fraud resources are targeted to the Council's key fraud risks.</p>	<p>To monitor Council policies on confidential reporting code, anti-fraud and anti-corruption policy and the Council's compalints process.</p>

<b>Audit Committee Work Plan – 2015/16</b>		
<ul style="list-style-type: none"> <li>International Audit Standards on the risks associated with the impact of potential fraud and error on the Financial Statements</li> </ul>	<p>Seek assurance that the statements made against the standard accurately reflect the Council's counter fraud arrangements.</p>	<p>To monitor Council policies on confidential reporting code, anti-fraud and anti-corruption policy and the Council's complaints process.</p>
<ul style="list-style-type: none"> <li>Risk Management Progress Report</li> </ul>	<p>Gain assurance that the Council is effectively managing its key risks – has good risk management systems / processes in place that enable decision makers to understand the level of risk being taken and the Council is prepared to accept.</p> <p>That there has been on big surprises for the Council where it suffered significant financial loss or reputational damage.</p>	<p>To monitor the effective development and operation of risk management and corporate governance in the Council</p>
<ul style="list-style-type: none"> <li>External Audit Grant Certification Report</li> </ul>	<p>Seek assurances that claims and returns have been managed appropriately and that there are no significant errors that would result in loss of funding.</p>	
<ul style="list-style-type: none"> <li>External Audit Progress Report</li> </ul>	<p>Seek assurance over progress and delivery of the external audit plan and that any risks to successful production of the financial statements and audit are being managed.</p> <p>Note: Further assurance needed around impact / risks associated with early close down.</p>	<p>To comment on the scope and depth of external audit work and to ensure it gives value for money</p>
<b>Other Assurance</b>		
Internal Audit – External Assessment		



<b>Audit Committee Action Plan – 2014/15</b>			
<b>Action</b>	<b>Terms of Reference Outcome</b>	<b>Key Delivery Activities</b>	<b>Who by and When</b>
Clarify who should attend the Audit Committee and expectations on the information being presented.	<p>Ensure that relevant and focussed reports are presented. Provides more certainty that assurance is relevant &amp; reliable</p> <p>Promote constructive challenge during meetings</p> <p>Strengthen accountability arrangements and the effectiveness of the Audit Committee</p>	Reporting protocol developed	Audit and Risk Manager
Undertake a skills and knowledge survey to review and establish any training and development needs as a whole Committee.	Enhance the effectiveness of the Audit Committee	Development of skills and knowledge survey	Audit and Risk Manager
Undertake a skills and knowledge survey to review and establish any training and development needs as a whole Committee.			
<p>Other Areas for possible inclusion in the Committees work plan:</p> <ul style="list-style-type: none"> <li>Reviewing and encouraging transparency in partnership decision making.</li> </ul>			

<ul style="list-style-type: none"><li>• Understand and seek assurance over the governance and risks associated with our key partners.</li><li>• Facilitate risk management training and awareness for members and staff. To clarify the understanding of the level of risk the Council is prepared to accept across its key activities / business units.</li><li>• Overview of the constitution</li><li>• Compliance with the Transparency Code</li></ul>			
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