



Open Report on behalf of Andrew Crookham, Deputy Chief Executive & Executive Director – Resources

Report to:	Audit Committee
Date:	27 March 2023
Subject:	Work Programme

Summary:

This report provides the Committee with information on the core assurance activities currently scheduled for the work plan.

Recommendation(s):

1. To review and amend the Audit Committee's work plan ensuring it contains the assurance areas necessary to approve the Annual Governance Statement 2022.
2. Consider the actions identified in the Action Plan.

Background

1. The work plan, as attached at Appendix A, has been compiled based on the core assurance activities of the Committee as set out in its terms of reference and best practice.

Training and Development Programme

2. An important element of the Audit Committee's effectiveness is continuous training and development. This enables committee members to remain up to date on key issues, hot topics and any developments that impact on Audit Committee role and remit.
3. After discussion with the Chairman and Vice Chairman of the Audit Committee the following training and development programme is proposed.

Session One – A half day event – in person event at Lincoln (Date to be confirmed).
Covering the following topics:

- **Effective Audit Committee** – CIPFA has issued some new guidance for Audit Committees. We propose to recap and run through any changes. We will also undertake an assessment of the effectiveness of the Committee – benchmarked against this best practice guidance.
- **Risk Management** – demonstration of new risk management software.

- **Horizon scanning** – picking up some of the big issues and risks facing public sector, how they potentially impact the governance and control framework of the council. Looking to develop the forward work plan – agenda items.

Webinars – Team meeting training events. 1 hour sessions on key elements of the Committee role and remit. Scheduled over 2023.

- **Risk management** – recap on how risks are managed – our risk appetite – how we gain oversight and assurance that our risk and issues are being effectively managed.
 - **Counter Fraud** – recap on our approach our fraud risk register with horizon scanning from a fraud perspective.
 - **Good governance and our assurance arrangements.** Propose a workshop with Overview Scrutiny Management Board on how our governance and assurance arrangements measure up against good practice and recent public interest reports.
4. **Lincolnshire Audit Committee Forum** – there’s been a number of requests for this forum to be reinstated. This is where Lincolnshire Audit Committees meet to share their experience – bring out common themes and risks facing the public sector and how Audit Committees can help improve the governance, risk and control environment. We will look to arrange a meeting in 2023.
 5. **Working with Overview & Scrutiny Management Board (OSMB)**– quarterly meetings held to discuss areas of common interest. Work programmes are shared and the Chairman of the Audit Committee attends (OSMB) as appropriate (depending on agenda items) and vice versa.
 6. **Emerging Risks** - A verbal update / discussion on any emerging high-risk areas that the Committee may wish to consider for future agenda items.
 7. **Action Tracker-** Appendix B – keeps track of actions agreed by the Committee and future potential agenda items.

Conclusion

8. The work plan helps the Audit Committee effectively deliver its terms of reference and keeps track of areas where it requires further work and/or assurance.

Consultation

a) Have Risks and Impact Analysis been carried out?

No

b) Risks and Impact Analysis

N/A

Appendices

These are listed below and attached at the back of the report	
Appendix A	Work Programme
Appendix B	Action plan

Background Papers

No Background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Lucy Pledge, Head of Audit and Risk Management, who can be contacted on 01522 553692 or lucy.pledge@lincolnshire.gov.uk .

19 June 2023 – 10.00 am		
Confirm timings for start of meeting – with a comfort break after the training?? (9am Training)		
Item	Contributors	Assurances Required/ Sought
Informal Statement of Accounts Training		
Draft Statement of Accounts 2022/23	Sue Maycock (Head of Finance – Corporate)	By asking questions (supported by independent advisor), confirm the integrity of the Council's financial statements prior to audit/publication. Improving how the Council discharges its responsibilities for public reporting e.g. better targeting at the audience and plain English.
Internal Audit Annual Report 2022/23	Claire Goodenough (Head of Internal Audit and Risk Management)	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. To consider how well the Internal Audit Functions is performing: <ul style="list-style-type: none"> • Is it what you want – independent, objective and provide a knowledgeable view of how well the Council is being run? • Conforms to the Public Sector Internal Audit Standards? • Has an effective Quality Assurance framework? • Adequacy resourced – capacity and skills? • Successfully delivers results that make a difference in how well the Council is run?
Counter Fraud & Whistleblowing Annual Report	Claire Goodenough (Head of Internal Audit and Risk Management) Dianne Downs (Audit Manager)	On the overall effectiveness of the Authority's arrangements to counter fraud and corruption.

Item	Contributors	Assurances Required/ Sought
Information Assurance Annual Report 2022/23	David Ingham (Head of Information Assurance)	Gain an understanding of the level of assurances being provided by the Head of Information Assurance over the Council's information governance arrangements and why.
Monitoring Officer's Annual Report	David Coleman (Monitoring Officer)	Confirm compliance with the Council's code of conduct and constitutional arrangements – ensuring the lawfulness of decisions and promoting / maintaining high standards of conduct by officers and members.
Review of the Council's governance framework and assurance arrangements. Consider the draft Annual Governance Statement 2022/23.	Claire Goodenough (Head of Internal Audit and Risk Management)	<p>Confirm that the Council's governance framework reflects good practice and its assurance arrangements are robust to ensure that policies, processes and procedures are operated as intended.</p> <p>Confirm that the Annual Governance Statement accurately reflects the Committees understanding of how the Council is run. Providing an accurate account to the public.</p>
Internal Audit Plan 2022/23	<p>Claire Goodenough (Head of Internal Audit and Risk Management)</p> <p>Dianne Downs (Audit Manager)</p>	<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 capabilities to maintain an effective internal audit function.</p>
Counter Fraud Plan 2022/23	<p>Claire Goodenough (Head of Internal Audit and Risk Management)</p> <p>Dianne Downs (Audit Manager)</p>	On the overall effectiveness of the Authority's arrangements to counter fraud and corruption.

24 July 2023 – 10.00 am		
Item	Contributors	Assurances Required/ Sought
Internal Audit Progress Report – June 2023	Claire Goodenough (Head of Internal Audit and Risk Management) Dianne Downs (Audit Manager)	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. The Internal Audit Plan focuses on the key risks facing the Council and is adequate to support the Head of Audit opinion. Confirm that the plan achieves a balance between setting out the planned work (must do's) for the year and retaining flexibility to changing risks and priorities during the year.
Update on the Council's Financial Resilience	Michelle Grady (Assistant Director – Finance) Sue Maycock (Head of Finance – Corporate)	Provide assurance that the Council's arrangements follow good practice - supporting financial resilience, sound financial management and VfM. Gain assurance on implementation of improvement actions identified through self assessment: <ul style="list-style-type: none"> • External Audit VFM self-assessment • CIPFA Financial Management Code • Grant Thornton Review – March / April 2023
25 September 2023 – 10.00 am		
Item	Contributors	Assurances Required/ Sought
Statement of accounts 2022/23 – Lincolnshire County Council & Pension Fund	Sue Maycock (Head of Finance – Corporate)	Ensure that the explanatory forward to the accounts help the public understand the authority's financial management of public funds. Consider the outcome of the External Audit and the appropriateness of management responses.

		Consider any concerns arising from the financial statements or from the
25 September 2023 – 10.00 am		
Item	Contributors	Assurances Required/ Sought
		audit that need to be brought to the attention of the Council.
Audit Completion Report 2022/23 – Lincolnshire County Council & Pension Fund	Representatives of Mazars	<p>Consider the outcome of the External Audit and the appropriateness of management responses.</p> <p>Consider any concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council</p> <p>Consider the proposed Value for Money Conclusion and any matters arising.</p>
Counter Fraud Progress Report	<p>Claire Goodenough (Head of Internal Audit and Risk Management)</p> <p>Dianne Downs – (Audit Manager)</p>	<p>Gain assurance that the Council has effective arrangements in place to fight fraud locally.</p> <p>Ensure that counter fraud resources are effectively targeted to the Council's key fraud risks.</p>
Risk Management Progress Report – September 2023	<p>Claire Goodenough (Head of Internal Audit and Risk Management)</p> <p>Mandy Knowlton-Rayner (Insurance & Risk Manager)</p>	Seek assurance that risk-related issues are being addressed.
Approval of the Council's Annual Governance Statement 2021/22	Claire Goodenough (Head of Internal Audit and Risk Management)	Confirm that the final Annual Governance Statement accurately reflects the Committees understanding of how the Council is run.

13 November 2023 – 10.00 am		
Item	Contributors	Assurances Required/ Sought
Draft Audit Committee Annual Report 2023	Claire Goodenough (Head of Internal Audit and Risk Management)	Provide assurance that the Committee has adequately discharged its terms of reference and has positively contributed to how well the Council is run.
Internal Audit Progress Report – September / October 2023	Claire Goodenough (Head of Internal Audit and Risk Management) Dianne Downs (Audit Manager)	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. The Internal Audit Plan focuses on the key risks facing the Council and is adequate to support the Head of Audit opinion. Confirm that the plan achieves a balance between setting out the planned work (must do's) for the year and retaining flexibility to changing risks and priorities during the year.
Strategic Risk – Deep Dive (Selected by the Committee)	Risk Owner	That risk management processes working effectively – with appropriate oversight and monitoring of control actions in place or being developed.
Fraud Risk Register	Claire Goodenough (Head of Internal Audit and Risk Management) Dianne Downs (Audit Manager)	Confirm that the Council's counter fraud activity is targeted and effective.
Horizon Scanning	Claire Goodenough (Head of Internal Audit and Risk Management)	To provide early signs of potentially important developments – identifying potential treats, risks, emerging issues and opportunities.

January / February 2024 – 10.00 am		
Item	Contributors	Assurances Required/ Sought
Combined Assurance Status Reports – 2023/24	Chief Executive, Executive Directors, and Chief Fire Officer	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. Seeking assurance that they are working well and that any significant risk and issues are being actively managed.
March 2024 – 10.00 am		
Item	Contributors	Assurances Required/ Sought
External Audit Strategy – Lincolnshire County Council & Pension Fund 2023/24	Representatives of Mazars	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.
Statement of Accounts 2023/24 – Accounting Policies	Sue Maycock (Head of Finance – Corporate)	Confirm that the appropriate accounting policies are being applied and understand the impact of any material changes that affect the Council's or Pension fund accounts.
Risk Management Progress Report - March 2024	Claire Goodenough (Head of Internal Audit and Risk Management) Mandy Knowlton-Rayner (Insurance & Risk Manager)	Seek assurance that risk-related issues are being addressed.
Counter Fraud Plan 2024/25	Claire Goodenough (Head of Internal Audit and Risk Management) Dianne Downs (Audit Manager)	On the overall effectiveness of the Authority's arrangements to counter fraud and corruption.

January / February 2024 – 10.00 am		
Item	Contributors	Assurances Required/ Sought
Internal Audit Plan 2024/25	<p>Claire Goodenough (Head of Internal Audit and Risk Management)</p> <p>Dianne Downs (Audit Manager)</p>	<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 capabilities to maintain an effective internal audit function.</p>
Internal Audit Progress Report – March 2024	<p>Claire Goodenough (Head of Internal Audit and Risk Management)</p> <p>Dianne Downs (Audit Manager)</p>	<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>Confirm that the plan achieves a balance between setting out the planned work (must do's) for the year and retaining flexibility to changing risks and priorities during the year.</p> <p>Is adequate to support the Head of Audit opinion.</p>

Items to be programmed:

- **Integration of Health and Social Care (including IMT)** – Glen Garrod (Executive Director of Adult Care and Community Wellbeing) – Date TBC.

Appendix B - Audit Committee Action Plan 2023/24

Audit Committee Action Plan 2023/24			
Action	Terms of Reference Outcome	Key Delivery Activities	When

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