

Report To:	AUDIT PANEL
Date:	28 September 2021
Reporting Officer:	Kathy Roe – Director of Finance Caroline Barlow – Assistant Director of Finance
Subject:	AUDIT PANEL FORWARD PLAN AND TRAINING
Report Summary:	The report sets out the updated forward plan and training programme for the Audit Panel for 2021/22 and 2022/23.
Recommendations:	Members are asked to: <ol style="list-style-type: none"> 1) Approve the updated work programme, including training, as set out in Appendix 2; and 2) Note the core functions outlined in Section 2 of the report and the CIPFA Position Statement: Audit Committees in Local Authorities and Police 2018 and consider whether any further training would be beneficial for the Audit Panel.
Corporate Plan:	The functions of the Audit Panel support the operations of the Council, which deliver the objectives of the Corporate Plan.
Policy Implications:	An effective Audit Committee supports the achievement of Council objectives and demonstrates a commitment to high standards of corporate governance.
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	An effective Audit Committee supports corporate governance, internal control, risk management and arrangements to ensure value for money.
Legal Implications: (Authorised by the Borough Solicitor)	Failure to organise in this way would put the Council at greater risks of successful regulatory, judicial and ombudsman challenge.
Risk Management:	The Audit Committee supports effective risk management and internal control arrangements across the Council.
Access to Information:	This report is to be considered in public.
Background Papers:	The background papers relating to this report can be inspected by contacting Wendy Poole.



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1. BACKGROUND

The Audit Panel is the Committee of Tameside Council that undertakes the role of the Audit Committee. The terms of reference for the Audit Panel are listed in **Appendix 1**.

- 1.2 The purpose of an audit committee is to provide to those charged with governance independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and governance processes. By overseeing both internal and external audit it makes an important contribution to ensuring that effective assurance arrangements are in place.
- 1.3 The Audit Panel is a key component of the Council's governance framework. Its function is to provide an independent and high-level resource to support good governance and strong public financial management.

2. ROLE OF THE AUDIT COMMITTEE

2.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) Position Statement on the role of the Audit Committee in Local Authorities sets out the core functions of the Audit Committee, as follows:

- To be satisfied that the authority's assurance statements, including the annual governance statement, properly reflect the risk environment and any actions required to improve it, and demonstrate how governance supports the achievement of the authority's objectives;
- In relation to the authority's internal audit functions:
 - oversee its independence, objectivity, performance and professionalism
 - support the effectiveness of the internal audit process
 - promote the effective use of internal audit within the assurance framework;
- Consider the effectiveness of the authority's risk management arrangements and the control environment, reviewing the risk profile of the organisation and assurances that action is being taken on risk-related issues, including partnerships and collaborations with other organisations;
- Monitor the effectiveness of the control environment, including arrangements for ensuring value for money, supporting standards and ethics and for managing the authority's exposure to the risks of fraud and corruption;
- Consider the reports and recommendations of external audit and inspection agencies and their implications for governance, risk management or control;
- Support effective relationships between external audit and internal audit, inspection agencies and other relevant bodies, and encourage the active promotion of the value of the audit process; and
- Review the financial statements, external auditor's opinion and reports to members, and monitor management action in response to the issues raised by external audit.

3. FORWARD PLAN

- 3.1 To assist the Audit Panel with delivering its terms of reference, officers have prepared the updated work plan for 2021/22 and 2022/23, which sets out the areas that should be considered by the Audit Panel. The work plan outlined in **Appendix 2** has been updated to remove July 2021 and include November 2022.
- 3.2 An update has been made to an item that should have been reported in September 2021, regarding the NAFN Data and Intelligence Services Annual Report and this has been moved to November as the published Annual Report is not yet finalised which forms part of the update. Also an update report regarding the appointment of External Auditors from 2023/24 has been added to November 2021.
- 3.3 An amendment has also been made to move the Annual Governance Statement and Audited Statement of Accounts for 2020/21 and associated External Audit Reports and Training to

the meeting in November as the external audit of the accounts is not expected to be completed before the meeting in September.

- 3.4 The forward plan also identifies proposed training for the coming year. Members of the panel are asked to consider whether any additional items or training are required, with reference to the core functions listed above and the [CIPFA Position Statement: Audit Committees in Local Authorities and Police 2018](#).

4. RECOMMENDATIONS

As set out on the front of the report.

Audit Panel Terms of Reference (Approved by Full Council May 2019)

APPENDIX 1

Role

To provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment and to oversee the financial reporting process.

To undertake the functions of an Audit Committee in accordance with the CIPFA Statement on Audit Committees in Local Authorities.

The Panel shall comprise a membership of 8 Members and is subject to the rules of political balance. The Panel shall be chaired by the Chair of the Overview Panel.

Terms of Reference

1. To overview the arrangements for internal control (both financial and nonfinancial).
2. Consider the Annual Audit Letter from our External Auditors.
3. Approve (but not direct) both external and internal audit's strategy, annual plans and monitor performance.
4. Review summary internal audit reports and the main issues arising and seek assurance that management action has been taken where necessary.
5. Receive the annual report and Head of Internal Audit opinion on the Council's corporate governance, risk management and internal control arrangements.
6. Consider the reports of other regulators and inspectors.
7. Consider the effectiveness of the authority's risk management arrangements, the control environment and associated anti-fraud and anticorruption arrangements. Seek assurances that action is being taken on risk related issues identified by auditors and inspectors.
8. Be satisfied that the authority's assurance statements, including the Annual Governance Statement, properly reflect the risk environment and any actions required to improve it.
9. To review existing and proposed arrangements, recommend changes and receive assurance that the systems of corporate governance are operating effectively and in accordance with best practice.
10. Review and approval of the annual Statement of Accounts, including the Annual Governance Statement and related matters. Approval of accounting policies and consideration of whether there are any concerns arising from the financial statements or external audit that need to be brought to the attention of the Council.
11. Receive and consider the external auditor's report and opinion on the financial statements.
12. Monitor action taken in response to any matters raised in the external auditor's report.
13. Monitor action taken in response to any matters raised in the Annual Governance Statement.

PROPOSED WORKPLAN AND TRAINING FOR AUDIT PANEL

APPENDIX 2

September 2021	November 2021	March 2022	June 2022	July 2022	November 2022
Financial Reporting and Accounts					
	Audited Statement of Accounts 2020/21 (Approval)	Accounting Policies and Critical Judgements	Draft Statement of Accounts 2021/22	Audited Statement of Accounts 2021/22 (Approval)	
Month 3 Finance Reports	Month 6 Finance Reports	Month 10 Finance Reports		Outturn Finance Reports	Month 6 Finance Reports
	Treasury Mid-Year review	Treasury Strategy		Treasury Outturn Report	Treasury Mid-Year review
	External Audit Appointment Update 2023/24				
CIPFA Financial Management Code					
Internal Audit					
	Internal Audit Progress Report Q2	Internal Audit Progress Report Q3		Internal Audit Progress Report Q1	Internal Audit Progress Report Q2
		Risk Management and Audit Services Planned Work 2022/23	Internal Audit Annual Report and Head of Internal Audit Opinion 2021/22		
			Review of Internal Audit 2021/22		
			External Audit Assurance Letters from Management and TCWG 2021/22		

September 2021	November 2021	March 2022	June 2022	July 2022	November 2022
				National Fraud Initiative (NFI) 2020 Summary Report	
	NAFN Data and Intelligence Services Annual Report			NAFN Data and Intelligence Services Annual Report	NAFN Data and Intelligence Services Annual Report
		CIPFA Fraud and Corruption Tracker – Tameside Report 2020/21			
External Audit					
	Audit Findings Report (ISA260)	External Auditor Annual Report	Audit Strategy Memorandums	Audit Findings Report (ISA260)	Annual Audit Letter
Risk Management					
	Corporate Risk Register Review	Corporate Risk Register Review	Corporate Risk Register Review Risk Management Report		Corporate Risk Register Review
Data Protection/ Information Governance Update Report	Data Protection/ Information Governance Update Report	Data Protection/ Information Governance Update Report		Data Protection/ Information Governance Update Report	Data Protection/ Information Governance Update Report
Internal Control and Governance Environment					
	Procurement Update			Procurement Update	Procurement Update

September 2021	November 2021	March 2022	June 2022	July 2022	November 2022
			Review against the Code of Corporate Governance		
	Annual Governance Statement 2020/21 (Approval)	Annual Governance Statement Improvement Plan Update	Draft Annual Governance Statement 2021/22	Annual Governance Statement 2021/22 (Approval)	Annual Governance Statement Improvement Plan Update
Work Plan					
Forward Plan	Forward Plan	Forward Plan		Forward Plan	Forward Plan
Training					
	Training – Accounts	Training – To Be Determined	Training – To Be Determined	Training – Accounts	Training – To Be Determined
Other					
Private Meeting with Internal and External Audit (If Required)	Private Meeting with Internal and External Audit (If Required)	Private Meeting with Internal and External Audit (If required)	Private Meeting with Internal and External Audit (If Required)	Private Meeting with Internal and External Audit (If Required)	Private Meeting with Internal and External Audit (If Required)