



<b>Report To:</b>	<b>AUDIT PANEL</b>
<b>Date:</b>	15 March 2022
<b>Reporting Officer:</b>	Kathy Roe – Director of Finance Caroline Barlow – Assistant Director of Finance
<b>Subject:</b>	<b>AUDIT PANEL FORWARD PLAN AND TRAINING</b>
<b>Report Summary:</b>	The report sets out the updated forward plan and training programme for the Audit Panel for 2022/23 and 2023/24.
<b>Recommendations:</b>	Members are asked to: <ol style="list-style-type: none"> <li>1) Approve the updated work programme, including training, as set out in <b>Appendix 2</b>; and</li> <li>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.</li> </ol>
<b>Corporate Plan:</b>	The functions of the Audit Panel support the operations of the Council, which deliver the objectives of the Corporate Plan.
<b>Policy Implications:</b>	An effective Audit Committee supports the achievement of Council objectives and demonstrates a commitment to high standards of corporate governance.
<b>Financial Implications:</b> <b>(Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	An effective Audit Committee supports corporate governance, internal control, risk management and arrangements to ensure value for money.
<b>Legal Implications:</b> <b>(Authorised by the Borough Solicitor)</b>	A robust work plan and an effective Audit Committee is central to a robust management and governance system. A poorly targeted work plan and a less than effective committee would place the Council at greater risks of successful regulatory, judicial and ombudsman challenge.
<b>Risk Management:</b>	The Audit Committee supports effective risk management and internal control arrangements across the Council.
<b>Access to Information:</b>	This report is to be considered in public.
<b>Background Papers:</b>	The background papers relating to this report can be inspected by contacting Wendy Poole.
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## 1. BACKGROUND

- 1.1 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 2022/23 and 2023/24, 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 November 2021 and include July 2023. It also reflects the revised reporting deadlines for the Statement of Accounts and Annual Governance Statement for 2021/22.
- 3.2 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

4.1 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 WORK PLAN AND TRAINING FOR AUDIT PANEL

## APPENDIX 2

March 2022	July 2022	September 2022	November 2022	March 2023	July 2023
<b>Financial Reporting and Accounts</b>					
Update on CIPFA Code Consultation and DLUHC proposals for accounts	Accounting Policies and Critical Judgements  Draft Statement of Accounts 2021/22		Audited Statement of Accounts 2021/22 (Approval)	Accounting Policies and Critical Judgements	Draft Statement of Accounts 2022/23
Treasury Strategy	Treasury Outturn Report		Treasury Mid-Year review	Treasury Strategy	Treasury Outturn Report
<b>Internal Audit</b>					
Risk Management and Audit Progress Report Q3	Risk Management and Audit Progress Report Q1		Internal Audit Progress Report Q2	Internal Audit Progress Report Q3	Risk Management and Audit Progress Report Q1
Risk Management and Audit Services Planned Work 2022/23	Internal Audit Annual Report and Head of Internal Audit Opinion 2021/22			Risk Management and Audit Services Planned Work 2023/24	Internal Audit Annual Report and Head of Internal Audit Opinion 2022/23
	Review of Internal Audit 2021/22				Review of Internal Audit 2022/23
	External Audit Assurance Letters from Management and TCWG 2021/22				External Audit Assurance Letters from Management and TCWG 2022/23
	National Fraud Initiative (NFI) 2020 Summary Report				
			NAFN Data and Intelligence Services Annual Report		

March 2022	July 2022	September 2022	November 2022	March 2023	July 2023
<b>External Audit</b>					
	External Auditor Annual Report  Audit Strategy Memorandums		Audit Findings Report (ISA260)	External Auditor Annual Report	Audit Strategy Memorandums
<b>Risk Management</b>					
Corporate Risk Register Review	Corporate Risk Register Review	Corporate Risk Register Review	Corporate Risk Register Review	Corporate Risk Register Review	Corporate Risk Register Review  Risk Management Report
Data Protection/ Information Governance Update Report (If required)	Data Protection/ Information Governance Update Report (If required)	Data Protection/ Information Governance Update Report (If required)	Data Protection/ Information Governance Update Report (If required)	Data Protection/ Information Governance Update Report (If required)	Data Protection/ Information Governance Update Report (If required)
<b>Internal Control and Governance Environment</b>					
		Procurement Update			
	Review against the Code of Corporate Governance				Review against the Code of Corporate Governance
Annual Governance Statement Improvement Plan Progress Report	Draft Annual Governance Statement 2021/22		Annual Governance Statement 2021/22 (Approval)	Annual Governance Statement Improvement Plan Progress Report	Draft Annual Governance Statement 2022/23
<b>Work Plan</b>					
Forward Plan	Forward Plan	Forward Plan	Forward Plan	Forward Plan	Forward Plan
<b>Training</b>					

March 2022	July 2022	September 2022	November 2022	March 2023	July 2023
	Training – Accounts	Training – Internal/External Audit	Training – Risk Management	Training – Information Governance	Training – Accounts
<b>Other</b>					
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)