

## **NORTH LINCOLNSHIRE COUNCIL**

### **AUDIT COMMITTEE**

## **AUDIT COMMITTEE ANNUAL FORWARD PLAN**

### **1. OBJECT AND KEY POINTS IN THIS REPORT**

- 1.1 The report sets out the annual forward plan for the business of the Audit Committee for agreement.
- 1.2 The forward plan is based upon the Audit Committee Terms of Reference and aims to identify reporting against the key responsibilities of the Committee.
- 1.3 The forward plan is a guide and the scheduling of reports may change during the year and additional items added.

### **2. BACKGROUND INFORMATION**

- 2.1 The Audit committees is a key component of the Council's corporate governance arrangement. They provide a high-level focus on assurance and the organisation's arrangements for governance, managing risk, maintaining an effective control environment, and reporting on financial and non-financial performance.
- 2.2 The Audit Committee Terms of Reference is based upon the Chartered Institute of Public Finance and Accountancy (CIPFA) publication 'Audit Committees: Practical Guidance for Local Authorities and Police (2018 edition)'.
- 2.3 The forward plan is intended to be a reference point used at each meeting to ensure that each agenda item provide the necessary assurance to enable the Committee to fulfil their responsibilities effectively.

### **3. OPTIONS FOR CONSIDERATION**

- 3.1 To agree the forward plan for the municipal year 2020/21.

**4. ANALYSIS OF OPTIONS**

- 4.1 The forward plan is based upon the Terms of Reference for the Audit Committee.
- 4.2 Members may wish to request additional items to be included based upon the different aspects of assurance required.
- 4.3 Additional items for consideration may be added throughout the year as deemed necessary by the Director.

**5. FINANCIAL AND OTHER RESOURCE IMPLICATIONS (e.g. LEGAL, HR, PROPERTY, IT, COMMUNICATIONS etc.)**

- 5.1 There are no additional resource implications associated with this report

**6. OTHER RELEVANT IMPLICATIONS (e.g. CRIME AND DISORDER, EQUALITIES, COUNCIL PLAN, ENVIRONMENTAL, RISK etc.)**

- 6.1 The scope of the Audit Committees work provides an opportunity for members to be assured that the council operates within all relevant legal frameworks to achieve its strategic priorities and outcomes.

**7. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)**

- 7.1 An Integrated Impact Assessment is not required for this report.

**8. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED**

- 8.1 No identified conflicts of interest. The forward plan is based upon best practice guidance and feedback from previous meetings of the committee.

**9. RECOMMENDATIONS**

- 9.1 That Audit Committee agree the forward plan and sets the schedule of work for the municipal year 2020/21.
- 9.2 The forward plan is intended to be a live document and additional items may be added throughout the year as advised by the Director Governance and Partnerships.

**DIRECTOR: GOVERNANCE AND PARTNERSHIPS**

Church Square House  
SCUNTHORPE  
North Lincolnshire  
DN15 6NL

Author: Becky McIntyre  
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**Background Papers used in the preparation of this report –**  
Audit Committee Terms of Reference  
CIPFA Audit Committees: Practical Guidance for Local Authorities and Police (2018  
Edition)

<b>Terms of Reference Scope of Activity</b>	<b>Meeting 1 20 May 2020</b>	<b>Meeting 2 8 July 2020</b>	<b>Meeting 3 Nov 2020</b>	<b>Meeting 4 Jan-Mar 2021</b>	<b>Meeting 5 Apr-May 2021</b>
<b>Internal and External Audit</b>					
To approve the audit plan and audit charter		√ (20/21)			√ (21/22)
To consider the head of internal audit's annual report and opinion		√	√		
To consider significant issues arising from internal audit reviews carried out and high risk agreed actions not implemented within a reasonable timescale	Reporting based upon HIA identifying significant issues in regular updates				
To consider the external auditor's annual letter, relevant reports, and the auditors ISA 260 report on the conclusion of the accounts			√		
To consider specific reports as agreed with the external auditor	Reporting based upon External Audit identifying significant issues				
To comment on the scope and depth of external audit work and to ensure it gives value for money	√	√		√	√
To support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by PSAA (if applicable)			√		

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To be kept informed of over the appointment of the council's external auditor by Public Sector Appointments Limited (PSAA).	√ (appointment of Mazars commenced 2019)				
<b>Regulatory Framework</b>					
To maintain an overview of the council's constitution and governance arrangements in respect of contract procedure rules, financial regulations and the shared services programme	Throughout the year there will be reports and presentations that cover aspects of these 3 responsibilities, including Information Governance and Security annual update; HR policy update in respect of Absence Management and Director updates.				
To consider the council's compliance with its own and other published standards and controls.					
To consider the council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.					
Consider the effectiveness of the authority's risk management arrangements.	√		√		√
To consider the effectiveness of the Council's anti-fraud and corruption arrangement	√		√		√

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To review the assessment of fraud risks and potential harm to the council from fraud and corruption			√		
To review, and recommend approval of, the Annual Governance Statement and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control		√	√		
To consider the council's arrangements for corporate governance and agreeing necessary action to ensure compliance with CIPFA/ SOLACE governance framework and approval of the Code of Corporate Governance				√	
Reviewing and monitoring treasury management arrangements in accordance with the CIPFA Treasury Management Code of Practice		√		√	
To review the governance and assurance arrangements for significant partnerships or collaboration		√			

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To report to full council on a regular basis on the committee's performance in relation to the terms of reference and the effectiveness of the committee in meeting its purpose		√			
<b>Financial Reporting</b>					
To approve the accounting policies to be used to prepare the accounts				√	
To review and/or approve the annual statement of accounts. Specifically, to consider whether the approved accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the council.			√		
To consider the auditors ISA 260 report on the conclusion of the accounts			√		

