

# North Tyneside Council Report to Audit Committee Date: 25 March 2020

## ITEM 9

Title: Proposed Audit  
Committee Work  
Programme 2020/21

Report from Service Area: Resources

Report Author: Allison Mitchell, Chief Internal Auditor (Tel: 643 5720)

Wards affected: All

### PART 1

#### 1.1 Purpose:

The purpose of this report is to propose a programme of core business, to be considered by the Audit Committee during 2020/21, in line with its Terms of Reference as set out in the Council's Constitution.

#### 1.2 Recommendation(s):

It is recommended that the Audit Committee:

- (a) agrees the proposed core business work programme set out within this report, for 2020/21,
- (b) notes that it may be necessary to change or adapt the proposed reports to be considered, to ensure optimum timing of consideration of governance issues, and to respond to emerging trends during the year, and
- (c) notes that the Committee will receive additional reports on any ad-hoc items of business arising during the year, as these relate to its responsibilities under its Terms of Reference, in the usual way.

#### 1.3 Council plan and policy framework

The work of Internal Audit and the Audit Committee covers all service responsibilities as identified within the Council Plan.

#### 1.4 Information

- 1.4.1 The Council's Constitution, updated and agreed by Council each year, establishes the role and responsibilities of each full committee of Council. This includes the Audit Committee.
- 1.4.2 Having regard to the Audit Committee's responsibilities as set out in its Terms of Reference in the Constitution, a core programme of work has been developed. This is set out below and aims to ensure that the Committee is properly able to discharge its duties effectively and efficiently, strengthening the Council's governance arrangements, and to highlight when reports are planned for presentation to each meeting in 2020/21.

Some aspects of the Committee's work are time-bound in nature (e.g. relating to the Council's accounts or agreeing future plans of work), whilst other items can be considered at any point during the year allowing some flexibility in planning the work programme of the Committee.

1.4.3 The following programme of core business for the Audit Committee during 2020/21 is proposed. This sets out the suggested timing and frequency of reports in the coming year, allowing the responsibilities as set out in the Constitution to be met.

1.4.4 The proposed work programme has been prepared in consultation with officers in the Shared Internal Audit and Risk Management Service, Finance Service, Democratic Services Team and also with the external (local) auditor, Ernst and Young LLP.

Month	Item of Business
<b>May 2020</b>	<p><u>Internal Audit and Risk Management</u></p> <ul style="list-style-type: none"> <li>• Annual Report from Chief Internal Auditor and Opinion on the Framework of Governance, Risk Management and Control</li> <li>• Final Outturn Report (showing performance in achieving the previous year's Strategic Audit Plan)</li> <li>• Key Outcomes from Internal Audit Reports (reporting the key outcomes of reports issued in the preceding six months and progress made with the implementation of audit recommendations)</li> <li>• Risk Management Update</li> </ul> <p><u>Finance</u></p> <ul style="list-style-type: none"> <li>• Draft Annual Governance Statement (and supporting information)</li> <li>• CIPFA Financial Management Code</li> </ul> <p><u>External Audit</u></p> <ul style="list-style-type: none"> <li>• External Audit Progress Report</li> </ul>
<b>July 2020</b>	<p><u>External Audit</u></p> <ul style="list-style-type: none"> <li>• Audit Results Report</li> </ul>
<b>November 2020</b>	<p><u>Internal Audit and Risk Management</u></p> <ul style="list-style-type: none"> <li>• Interim Outturn Report (showing profiled performance against the Strategic Audit Plan)</li> <li>• Key Outcomes from Internal Audit Reports (reporting the key outcomes of reports issued in the preceding six months and progress made with the implementation of audit recommendations)</li> <li>• Risk Management Update</li> </ul> <p><u>Finance</u></p> <ul style="list-style-type: none"> <li>• Annual Governance Statement Update (progress on previously identified actions and agreeing methodology for coming year)</li> <li>• Report on preparation of Annual Statement of Accounts 2020/21</li> </ul> <p><u>External Audit</u></p> <ul style="list-style-type: none"> <li>• Annual Audit Letter</li> <li>• External Audit Progress Report</li> </ul>

<b>March 2021</b>	<p><u>Internal Audit and Risk Management</u></p> <ul style="list-style-type: none"> <li>• Strategic Audit Plan (for the forthcoming financial year)</li> <li>• Annual Audit Committee Work Programme</li> <li>• Annual Review of Audit Committee Effectiveness</li> </ul> <p><u>Finance</u></p> <ul style="list-style-type: none"> <li>• Report on accounting policies to be used in Compilation of Annual Statement of Accounts</li> <li>• Report on preparation of Annual Statement of Accounts 2020/21</li> </ul> <p><u>External Audit</u></p> <ul style="list-style-type: none"> <li>• Audit Planning Report</li> <li>• Grants Report</li> <li>• Audit Market Reform Update Report</li> </ul>
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1.4.5 In addition to these core business items, it may also be necessary to update the Audit Committee on an ad-hoc basis, as relevant and topical areas arise during the year. Accordingly, the Audit Committee will receive additional reports on emerging issues and trends as appropriate.

1.4.6 The proposed work programme should be treated as a helpful guide, and it may be necessary to alter or amend the proposed timing of reports during the year as work progresses. Where this is the case, the relevant report author will be responsible for informing the Chair of the Audit Committee, and Democratic Services, of any changes to proposed reporting.

### **1.5 Decision options:**

It is recommended that the Audit Committee agrees the proposed programme of core business set out at 1.4.3 above; and notes that it may be necessary to alter the proposed timing of reports, and to add extraordinary reports, in order to respond to emerging issues arising throughout the year.

There are no other options available in relation to this report.

### **1.6 Reason for recommended option:**

This recommendation will allow the Council to operate in line with the Constitution and good professional practice.

### **1.7 Appendices:**

There are no appendices to this report.

### **1.8 Contact officers:**

Kevin McDonald (Group Assurance Manager) Tel 643 5738  
 Marc Oldham (Senior Auditor) Tel: 643 5711

## **1.9 Background information:**

The following background papers and research reports have been used in the compilation of this report and are available for inspection at the offices of the author.

- (a) [North Tyneside Council Constitution, December 2019 \(P\)](#)
- (b) [Financial Regulations, version 5a, September 2013 \(P\)](#)

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

There are no direct financial implications arising from this report.

### **2.2 Legal**

There are no direct legal implications arising from this report.

### **2.3 Consultation/community engagement**

The proposed work programme of core business items has been proposed with reference to the Constitution, and discussion with lead report authors within the Council and the external (local) auditor.

As emerging issues or trends arise during the year, the core business items will be supplemented with additional reports agreed in association with the Chair of the Audit Committee.

### **2.4 Human rights**

There are no human rights issues arising from this report.

### **2.5 Equalities and diversity**

There are no equality and diversity issues arising from this report.

### **2.6 Risk management**

There are no specific risks associated with this report.

### **2.7 Crime and disorder**

There are no specific crime and disorder issues arising from this report. The work of Internal Audit and the Audit Committee is a key strand in the Council's counter-fraud arrangements.

### **2.8 Environment and sustainability**

There are no environment and sustainability issues arising from this report.

**Report authors**      Allison Mitchell  
                                 Kevin McDonald  
                                 Marc Oldham