

North Tyneside Council Report to Audit Committee Date: 23 March 2022

Title: Proposed Audit
Committee Work
Programme 2022/23

Report from Service Area:	Resources
Report Author:	Kevin McDonald, Acting Chief Internal Auditor (Tel: 643 5738)
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 2022/23, 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 2022/23,
- (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 2022/23.

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 2022/23 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. In order to help with a sector wide resourcing and capacity issue, the Department for Levelling Up, Housing and Communities (DLUHC) has proposed extending the deadline for publishing 2021/22 audited local authority accounts to the end of November 2022. At the time of writing this is at consultation stage, but it is expected to be agreed and the work programme is reflective of this. However, should it not be agreed the deadline will remain at the end of September and an additional meeting of the Audit Committee will be scheduled. The deadline for publishing draft accounts, end of May 2022, remains the same in both circumstances.

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

Month	Item of Business
<p>May 2022</p>	<p><u>Internal Audit and Risk Management</u></p> <ul style="list-style-type: none"> • Annual Report from Chief Internal Auditor and Opinion on the Framework of Governance, Risk Management and Control • Final Outturn Report (showing performance in achieving the previous year’s Strategic Audit Plan) • 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) • Risk Management Update <p><u>Counter Fraud</u></p> <ul style="list-style-type: none"> • Counter Fraud Annual Report <p><u>Finance</u></p> <ul style="list-style-type: none"> • Draft Statement of Accounts 2021/22 • Draft Annual Governance Statement (and supporting information) <p><u>External Audit</u></p> <ul style="list-style-type: none"> • External Audit Progress Report (if required)
<p>July 2022</p>	<p><u>Finance</u></p> <ul style="list-style-type: none"> • CIPFA Financial Management Code

Month	Item of Business
November 2022	<p data-bbox="336 244 858 280"><u>Internal Audit and Risk Management</u></p> <ul data-bbox="384 284 1501 510" style="list-style-type: none"> <li data-bbox="384 284 1501 356">• Interim Outturn Report (showing profiled performance against the Strategic Audit Plan) <li data-bbox="384 360 1501 468">• 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 data-bbox="384 472 807 510">• Risk Management Update <p data-bbox="336 546 453 582"><u>Finance</u></p> <ul data-bbox="384 586 876 658" style="list-style-type: none"> <li data-bbox="384 586 836 622">• Final Statement of Accounts <li data-bbox="384 627 876 658">• Annual Governance Statement <p data-bbox="336 694 539 730"><u>External Audit</u></p> <ul data-bbox="384 734 858 770" style="list-style-type: none"> <li data-bbox="384 734 858 770">• External Audit Results Report
March 2023	<p data-bbox="336 848 858 884"><u>Internal Audit and Risk Management</u></p> <ul data-bbox="384 889 1214 1010" style="list-style-type: none"> <li data-bbox="384 889 1214 925">• Strategic Audit Plan (for the forthcoming financial year) <li data-bbox="384 929 1042 965">• Annual Audit Committee Work Programme <li data-bbox="384 969 1131 1010">• Annual Review of Audit Committee Effectiveness <p data-bbox="336 1046 453 1081"><u>Finance</u></p> <ul data-bbox="384 1086 1374 1207" style="list-style-type: none"> <li data-bbox="384 1086 1374 1158">• Report on accounting policies to be used in Compilation of Annual Statement of Accounts <li data-bbox="384 1162 1350 1207">• Report on preparation of Annual Statement of Accounts 2022/23 <p data-bbox="336 1243 539 1279"><u>External Audit</u></p> <ul data-bbox="384 1283 1002 1355" style="list-style-type: none"> <li data-bbox="384 1283 1002 1319">• External Audit Planning Report 2022/23 <li data-bbox="384 1323 975 1355">• External Audit Annual Report 2021/22

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 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:

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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, version 24, June 2021 \(P\)](#)
- (b) [Financial Regulations, version 7a, June 2021 \(P\)](#)
- (a) [The Accounts and Audit Regulations 2015, April 2015 \(P\)](#)

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 for consultation with Audit Committee.

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 Kevin McDonald
 Marc Oldham