

Audit Committee

21st November 2022



Report of: Chair of Audit Committee

Title: **Audit Committees Half Yearly Report to Full Council - Draft**

Ward: N/A

Officer Presenting Report: Simba Muzarurwi, Chief Internal Auditor

Recommendations

The Committee consider and approve their half yearly report to Full Council.
The Committee considers any further training needs of its members.

Summary

The report provides a summary of key matters arising from the work of the Audit Committee this year to date which should be highlighted to Full Council. The report is due to be considered by Full Council at their meeting on 13th December 2022.

The significant issues in the report are:

- Key areas to highlight to Full Council from the work of the Committee – Section 2 of the attached report.



Policy

1. Audit Committee Terms of Reference.

Consultation

2. **Internal**
Audit Committee Members
3. **External**
None

Context

Audit Committee Half Year Report to Full Council:

4. In line with the requirements of their Terms of Reference, the Audit Committee provides both an Annual Report and half year report to Full Council. The purpose of these reports is to highlight to Full Council key issues arising from the Committee's work in relation to the control, risk and governance arrangements at the Council. A half year report to Full Council has been drafted on behalf of the Committee and is attached at Appendix A.
5. The report references the Committee's own review of effectiveness and identifies that the Committee is considering the need for further training and development. Given its wide remit covering many areas training can be arranged for the Committee. Consistent with the Committee's terms of reference, the following are some of the areas for further development.
 - Risk Management
 - Governance including companies, partnerships and collaborations
 - Value for Money
 - Fraud & Corruption
 - Financial reporting and governance
 - Assurance framework
 - Pension Fund
 - Treasury Management
 - Ethics and Standards
 - Capital Project Management
 - IT Governance
 - Cyber Risk
 - Internal Audit
 - External Audit

The Committee will need to identify from the list the development areas that need to be prioritised in the next 12 months. Following that the scope and providers of the training will be determined and agreed with the Committee.

6. In addition, since Committee members met to complete their effectiveness review, CIPFA (The Chartered Institute of Public Finance and Accountancy) have issued new practical guidance for Audit Committee members. This is currently being reviewed. The Chief Internal Auditor will

work with the Committee to ensure that the main principles of the new guidance are adopted as appropriate and incorporated into the development plan that resulted from the Committee's review of their effectiveness.

Proposal

7. Committee members review the draft half year report to Full Council to ensure it reflects the issues they feel should be brought to Full Council attention at this time. The Committee approve the report for submission subject to any amendments required.
8. Members review the list of areas for potential training and determine the training needs for Committee members.

Other Options Considered

9. None

Risk Assessment

10. The assurances provided by an effective Audit Committee to Full Council are a key part of the Council's governance framework. This report highlights potential areas where assurances require further monitoring by Audit Committee and improvement actions that will enhance the effectiveness of the Audit Committee.

Public Sector Equality Duties

- 8a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following "protected characteristics": age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
 - i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
 - ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
 - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);

- encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

- iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
 - tackle prejudice; and
 - promote understanding.

8b) No equality impact anticipated from this report

Legal and Resource Implications

Legal

N/A

Financial

(a) Revenue – N/A

(b) Capital – N/A

Land/Property N/A

Human Resources N/A

Appendices:

Appendix A – Draft Audit Committee Half Year Report to Full Council.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

Audit Committee Papers.

CIPFA – Audit Committees Practical Guidance.