

ROTHERHAM BOROUGH COUNCIL – REPORT TO AUDIT COMMITTEE

1.	Meeting:	Audit Committee
2.	Date:	22 July 2015
3.	Title:	Audit Committee Work Plan 2015/16
4.	Directorate:	Resources

5. Summary

This report provides details of the draft Audit Committee's workplan for 2015/16.

The plan has been updated to ensure it remains as up-to-date as possible, by taking into account current significant issues relating to the Committee's terms of reference. The plan recognises the 'Fresh Start' being adopted by the whole of the Council and, correspondingly, the proposed plan provides for a fresh approach and a fresh start for the Audit Committee.

This 'Fresh Start' for the Audit Committee will be reflected in an Audit Committee Prospectus that is currently being drafted. This report highlights some of the key changes being built into the Prospectus.

6. Recommendations

The Audit Committee is asked to:

- **Note the development of the Audit Committee's role and approach**
- **Approve the corresponding workplan for 2015/16**
- **Note the drafting of a prospectus outlining the new approach.**

7. Proposals and Details

In line with good practice the Audit Committee has a work plan which identifies its activities and is reviewed regularly to ensure it reflects the Audit Committee's priorities. The workplan also sets out how the Committee aims to fulfil its terms of reference. In this respect the work plan shows activities under the 3 main functions of the Audit Committee; Accounts Matters, Audit/Control Matters and Risk Management/Other Matters.

This review has been completed to ensure the work plan remains as up-to-date as possible, by taking into account:

- The need to confirm there are appropriate arrangements in place for managing risks, including risks linked to the financial reductions forced on councils
- The continuing adoption of Financial Reporting Standards
- The effective monitoring of audit recommendations
- Provision for the continuation of regular updates and, where relevant, refresher training sessions.

Appendix A contains a draft workplan which provides for progress on these and other regular issues to be reported to the Audit Committee. This workplan covers 2015/16.

A review of the work done by the Audit Committee is reported in the Audit Committee's Annual Report.

Following the criticisms of the whole of the Council, including the Audit Committee, within the Casey Report, and the subsequent Government intervention, the Council has produced a corporate improvement plan (which complements the already existing Children's Improvement Plan) to create a fresh start for all of its services and the governance arrangements across the whole of the Council.

The Lead Commissioner, Sir Derek Myers, has recently met with the Chair of the Audit Committee and they have agreed the Audit Committee also needs a Fresh Start. It is proposed that the fresh start will be reflected in an Audit Committee Prospectus, which is currently being drafted (with a deadline target of 31 July). It will set out Audit Committee standards, the scope of its work and how it will seek the assurances about the management of risks across the Council.

Some of the more notable elements of the new arrangements include:

- Regular briefing / training sessions on a topical subjects prior to each Audit Committee meeting
- The recruitment of an independent member to augment the skills and experience currently provided by the Audit Committee
- Regular detailed reviews of directorate risk registers, including the involvement of Cabinet Members in managing / reviewing the risks
- Setting aside one full meeting, in January 2016, for a self-assessment exercise
- A reflection at the end of each meeting on any matters arising during the meeting that should be mentioned to or referred to Overview and Scrutiny Management Board, to take into account in its work planning. This will ensure effective communication between Scrutiny and the Audit Committee and ensure their roles are complementary and, collectively, carried out more effectively.

The fresh approach including these, and other, new arrangements will strengthen the Audit Committee and enable it to better obtain assurances about the effective management of the Council's activities.

8. Finance

There are no direct financial implications arising from this report.

9. Risks and Uncertainties

The Audit Committee aims to comply with standards established by the Chartered Institute of Public Finance and Accountancy (CIPFA). The maintenance of a workplan is consistent with the CIPFA standards. The production of a workplan also helps the Audit Committee to ensure it achieves its terms of reference.

10. Policy and Performance Agenda Implications

The Audit Committee's workplan is wholly related to good governance and the achievement of the objectives in the Council's Corporate Plan.

11. Background Papers and Consultation

Audit Committee terms of reference

Audit Committee work plan

Contact Names:

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Appendices:

Appendix A Draft Audit Committee work plan 2015/16

Appendix A

Audit Committee Work Plan 2015/16:

Date of Meeting	Accounts Matters	Audit/Control Matters	Risk Management/Other Matters
22 July 2015	<ul style="list-style-type: none"> Draft Statement of Accounts 2014/15 Heritable Bank – update Annual Treasury Report 	<ul style="list-style-type: none"> Internal Audit Plan – Progress Report External Auditor’s Audit Plan 2014/15 	<ul style="list-style-type: none"> Corporate and Children’s Improvement Plans – Governance Draft Annual Governance Statement 2014/15
23 September 2015	<ul style="list-style-type: none"> Final Statement of Accounts 2014/15 	<ul style="list-style-type: none"> Anti-Fraud and Corruption Arrangements Annual Fraud Report 2014/15 External Auditor’s (ISA 260) Report on the Accounts 2014/15 Progress on the Implementation of Audit and Inspection recommendations 	<ul style="list-style-type: none"> Review of Risk Management Policy and Strategy Improvement Plan – Governance related issues Final Annual Governance Statement 2014/15 Refresh of the Local Code of Corporate Governance
25 November 2015	<ul style="list-style-type: none"> Mid-Year Report on Treasury Management and Prudential Indicators 2015/16 	<ul style="list-style-type: none"> Review of Financial Regulations External Auditor’s Annual Audit Letter 2014/15 Review of Internal Audit 	<ul style="list-style-type: none"> Improvement Plan – Governance related issues Corporate Risk Register Annual Review of the Local Code of Corporate Governance and Review of Overall Governance Arrangements Directorate risk register ‘deep-dive’ review (directorate to be determined)

Date of Meeting	Accounts Matters	Audit/Control Matters	Risk Management/Other Matters
20 January 2016	<ul style="list-style-type: none"> <i>Audit Committee Self-Assessment</i> 		
17 February 2016	<ul style="list-style-type: none"> Final accounts closedown arrangements and review of accounting policies Prudential Indicators and Treasury Management Strategy 	<ul style="list-style-type: none"> External Audit Plan 2015/16 External Audit Grants Report 2014/15 Progress on the Implementation of Audit and Inspection recommendations 	<ul style="list-style-type: none"> Corporate Risk Register Improvement Plan – Governance related issues Directorate risk register ‘deep-dive’ review (directorate to be determined)
27 April 2016		<ul style="list-style-type: none"> Internal Audit Charter and Strategy Internal Audit Plan 2016/17 Internal Audit Annual Report 2015/16 	<ul style="list-style-type: none"> Improvement Plan – Governance related issues Audit Committee Annual Report 2015/16 Audit Committee Self-Assessment Directorate risk register ‘deep-dive’ review (directorate to be determined)
20 July 2016	<ul style="list-style-type: none"> Draft Statement of Accounts 2015/16 	<ul style="list-style-type: none"> Progress on the Implementation of Audit and Inspection recommendations Annual Fraud Report 2015/16 Anti-Fraud and Corruption Arrangements 	<ul style="list-style-type: none"> Corporate Risk Register Improvement Plan – Governance related issues Draft Annual Governance Statement 2015/16 Directorate risk register ‘deep-dive’ review (directorate to be determined)