

**North East Derbyshire District Council**

**Audit and Corporate Governance Scrutiny Committee**

**26 July 2018**

<b><u>Committee Work Programme 2018/2019</u></b>
--

**Report of the Joint Head of Corporate Governance and Monitoring Officer**

This report is public

**Purpose of the Report**

- To enable the Committee to consider an appropriate Work Programme for the municipal year 2018/2019.

**1 Report Details**

- 1.1 The Audit and Corporate Governance Scrutiny Committee considers a range of financial and governance issues on a regular basis. Given the number of matters that are examined by the Committee it is appropriate that an Annual Work Programme continues to be in place. This programme will form part of the report on the Scrutiny Committees Work Programmes 2018/2019. This has been submitted to Cabinet on 1 August 2018 for information however the report indicates that it is a draft Work Programme still to be considered by this Committee. Amendments agreed by the Audit and Corporate Governance Scrutiny Committee at its meeting on 26 July 2018 will be reported to Cabinet as an update.
- 1.2 The proposed Work Programme is set out in the attached **Appendix 1**. It should be recognised that the work plan is at this stage an indicative one to which matters may be added or removed as appropriate.
- 1.3 The draft Work Programme enables Members to give structured consideration as to whether the proposed agenda items are appropriate and serve to meet the objectives of the Committee. That question needs to be considered in the light of the Council's Constitution, Chartered Institute of Public Finance and Accountancy (CIPFA) Guidance on the role of an Audit Committee and established good practice. Attached as **Appendix 2** for Members information is a copy of the Committees delegations, taken from the Council's Constitution.

**2 Conclusions and Reasons for Recommendation**

- 2.1 To enable the Committee to consider its Work Programme for 2018/2019.

### **3 Consultation and Equality Impact**

- 3.1 There are no consultation and equality impact matters arising directly from the content of this report.

### **4 Alternative Options and Reasons for Rejection**

- 4.1 There are no other options proposed.

### **5 Implications**

#### **5.1 Finance and Risk Implications**

The development of a Work Programme for the Audit and Corporate Governance Scrutiny Committee will provide an appropriate structure to assist and support the Committee's work. This will help to ensure that the Committee continues to operate effectively and that the Council's governance/scrutiny and accountability arrangements remain robust. The Programme is designed to allow the Audit and Corporate Governance Scrutiny Committee to continue its flexible approach to its work and consider the range of matters which are within its remit.

There are no financial issues arising from the report.

#### **5.2 Legal Implications including Data Protection**

There are no legal issues or Data Protection matters arising directly from this report.

#### **5.3 Human Resources Implications**

There are no Human Resource issues arising from the report.

### **6 Recommendations**

- 6.1 That the Committee notes and endorses the Audit and Corporate Governance Scrutiny Work Programme 2018/2019 as set out in the attached **Appendix 1**.

### **7 Decision Information**

<b>Is the decision a Key Decision?</b> A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC:</i> <i>Revenue - £75,000</i> <input type="checkbox"/> <i>Capital - £150,000</i> <input type="checkbox"/> <i>NEDDC:</i> <i>Revenue - £100,000</i> <input type="checkbox"/> <i>Capital - £250,000</i> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
---	----

<b>Is the decision subject to Call-In?</b> (Only Key Decisions are subject to Call-In)	No
<b>District Wards Affected</b>	None Directly
<b>Links to Corporate Plan priorities or Policy Framework</b>	High Performing Council

## 8 Document Information

Appendix No	Title
1	Audit and Corporate Governance Scrutiny Committee Work Programme 2018/2019
2	Audit and Corporate Governance Committees – Remit as established by the Constitution.
<b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
N/A	
Report Author	Contact Number
Donna Cairns Senior Governance Officer	01246 217045

**AUDIT AND CORPORATE GOVERNANCE SCRUTINY COMMITTEE: PROPOSED  
WORK PROGRAMME 2017/2018**

<b><u>DATE OF MEETING</u></b>	<b><u>ITEM</u></b>
17 May 2018	<ul style="list-style-type: none"> <li>• Internal Audit Consortium: Annual Report 2017/2018</li> <li>• Summary of Internal Audit Reports Issued 2017/2018</li> <li>• Annual Governance Statement 2017/18</li> <li>• Strategic Risk Register and Partnership Arrangements</li> <li>• Performance Management Quarter 4 2017/18</li> </ul>
26 July 2018	<ul style="list-style-type: none"> <li>• Report of Those Charged with Governance ISA 260 (KPMG)</li> <li>• NEDDC Statement of Accounts 2017/18</li> <li>• Financial Outturn 2017/18</li> <li>• Quarter 1 2018/19 Financial Monitoring</li> <li>• Performance Management, Quarter 1: 2018/19</li> <li>• Internal Audit Charter</li> <li>• Summary of Progress on the Annual Internal Audit Plan 2018/19</li> </ul>
4 October 2018	<ul style="list-style-type: none"> <li>• Report of External Auditor (KPMG) Annual Audit Letter 2017/18</li> <li>• Strategic Risk Register and Partnership Arrangements</li> <li>• Fighting Fraud and Corruption Locally</li> <li>• Evaluate the Effectiveness of the Audit and Corporate Governance Committee/Self Assessment</li> <li>• Key Issues of Financial Governance</li> </ul>
22 November 2018	<ul style="list-style-type: none"> <li>• Summary of Internal Audit Reports Issued 2017/2018</li> <li>• Revised Budgets 2018/19</li> <li>• Quarter 2 2018/19 Financial Monitoring</li> <li>• Strategic Risk Register and Partnership arrangements</li> <li>• Performance Management Quarter 2: 2018/19</li> <li>• Key Issues of Financial Governance</li> </ul>
31 January 2019	<ul style="list-style-type: none"> <li>• Medium Term Financial Plan 2018/19 to 2021/22</li> <li>• Report of Internal Audit – Summary of Progress on the Internal Audit Plan</li> <li>• Key Issues of Financial Governance</li> <li>• Performance Management, Quarter 3: 2018/19</li> <li>• Strategic Risk Register and Partnership Arrangements</li> <li>• Annual Review of Effectiveness of Internal Audit</li> </ul>
18 April 2019	<ul style="list-style-type: none"> <li>• Report of the External Auditor : External Audit Plan 2019/20</li> <li>• Report of the External Auditor :Progress Report and Technical Update</li> <li>• Internal Audit Plan 2019/20</li> <li>• Key Issues of Financial Governance</li> <li>• Performance Management, Quarter 4: 2018/19</li> <li>• Strategic Risk Register and Partnership Arrangements</li> <li>• Proposed Accounting Policies 2019/20</li> </ul>

	<ul style="list-style-type: none"><li>• Financial Procedures within Constitution Review</li><li>• Annual Governance Statement</li></ul>
--	---

### 5.3 Scrutiny Committees

(a) Within their themed areas, all *Scrutiny Committees* will:-

- (i) review decisions made by and the performance of the *Council Meeting*, the *Cabinet*, committees and *Officers* both in relation to individual decisions and over time (but not including *Regulatory Decisions*)
- (ii) review the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas
- (iii) question members of the *Cabinet* and *Officers* about their decisions and performance, whether generally in comparison with service plans and targets over a period of time, or in relation to particular decisions (but not including *Regulatory Decisions*)
- (iv) make recommendations to the *Council Meeting* and/or *Cabinet* arising from work undertaken by a *Scrutiny Committee*
- (v) review the performance of other public bodies in the area and invite reports from them by asking them to address the *Scrutiny Committee* about their activities and performance
- (vi) question and gather evidence from any person with their consent
- (vii) collaborate with other *Scrutiny Committees* and other bodies carrying out similar functions outside the Council
- (viii) report to the Council meeting annually on the scrutiny function and their work
- (ix) exercise functions relating to call in and Councillor Call for Action.

(e) Audit and Corporate Governance Scrutiny Committee

The committee will:-

- (i) consider the Internal Audit annual report and opinion, and a summary of Internal Audit activity (actual and proposed) and the level of assurance it can give over the Council's corporate governance arrangements
- (ii) consider summaries of specific Internal Audit reports as requested
- (iii) consider reports dealing with the management and performance of the providers of Internal Audit Services
- (iv) consider a report from Internal Audit on agreed recommendations not implemented within a reasonable timescale
- (v) consider the External Auditor's Management Letter, relevant reports, and the report to those charged with governance

- (vi) consider specific reports as agreed with the External Auditor
- (vii) comment on the scope and depth of external audit work to ensure it gives value for money
- (viii) liaise with the Audit Commission over the appointment of the Council's external auditor
- (ix) commission work from Internal and External Audit as necessary
- (x) maintain an overview of the *Contract Procedure Rules*, and *Finance Rules*
- (xi) review any issue referred to it by the *Chief Executive Officer*, a *Director*, the *Monitoring Officer*, the Chief Finance Officer or the *Council Meeting*, a committee or the *Cabinet*
- (xii) monitor the effective development and operation of risk management and corporate governance in the Council
- (xiii) monitor the Council's anti fraud and corruption strategy
- (xiv) oversee the production of the Council's Statement on Internal Control and recommend its adoption
- (xv) oversee the Council's arrangements for corporate governance and agree necessary actions to ensure compliance with best practice
- (xvi) oversee the Council's compliance with its own and other published standards and control
- (xvii) approve the Council's audited Annual Statement of Accounts
- (xviii) review the annual statement of accounts, specifically to consider whether appropriate 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 Meeting*
- (xix) consider the External Auditor's report to those charged with governance on issues arising from the audit of the accounts