

**Audit Committee – 12 April 2021**

**Audit Committee Year End Review of 2020/21 Work Programme**

**1. Summary of report**

1.1 Following approval of the final 2020/21 Audit Committee work programme at its meeting on 23 November 2020, this report provides the Committee with a year-end review of that plan to inform both the Annual Report to Council and the 2021/22 work programme.

**2. Recommendations**

2.1 That Audit Committee notes the delivery against the final work programme, notes the areas which may need to be taken into account when considering the 2021/22 programme, and utilises the detail set out in this review when preparing its Annual Report to Council.

**3. Background**

3.1 The final 2020/21 Audit Committee work programme was approved at the Committee meeting on 23 November 2020, with the plan approved at that meeting set out at Appendix 1.

3.2 Whilst the majority of items within the approved work programme have been reported to Committee in line with the approved work plan, there are a small number of items where changes to the work programme have been required. A summary of these changes, and reasons for them, is set out below:

<b>Work Programme Item</b>	<b>Planned Audit Committee date to be reported to in approved work programme</b>	<b>Actual Audit Committee reported to</b>	<b>Comments</b>
One Source Programme Update	N/A	July 2020	This item was not included in the work programme approved on 23 November 2020, however the report was added to the July Committee to provide an update on previous reports in relation to One Source in line with the date for system go live.
Counter Fraud and Corruption Arrangements	January 2021	April 2021	Reporting of this item to Committee has been delayed due to the impact of Covid-19 on work commitments, and to allow appropriate time for internal consultation.

<b>Work Programme Item</b>	<b>Planned Audit Committee date to be reported to in approved work programme</b>	<b>Actual Audit Committee reported to</b>	<b>Comments</b>
Internal Audit work plan 2021/22	January 2021	March 2021	Reporting of this item to Committee has been delayed to allow appropriate time for internal consultation.
Corporate Performance Management Framework Refresh	January 2021	April 2021	Reporting of this item to Committee has been delayed due to the impact of Covid-19 on work commitments, and to allow appropriate time for internal consultation.
External Audit's request for information on how the Audit Committee gains assurance over management processes and arrangements – for 2020/21 accounts	January 2021	March 2021	Reporting of this item to Committee has been delayed due to the impact of Covid-19 on work commitments, and to allow appropriate time for internal consultation.
External Audit Plan 2020/21 Accounts	January 2021	March 2021	Reporting of this item to Committee has been delayed due to government consultation on changes to local government external audit focus and associated timeline, to provide appropriate time for consideration prior to Audit Committee (linked to Redmond Review item below).
Saddlers Centre Internal Audit Report	N/A	March 2021	This item was not included in the work programme approved on 23 November 2020, however the report was added to the March committee following the request of a Committee member.
Head of Internal Audit Annual Report 2020/21 and Opinion	April 2021	First meeting of the 2021/22 municipal year	The Head of Internal Audit Opinion Report has historically been reported to the June or July committee, however the initial intention was to seek to bring a draft report to the April Committee. Due to the impact of Covid-19 on work commitments this has not been possible and it is now planned to be reported to the first Committee of the new municipal year, however the 2019/20 position was reported to Committee during the current municipal year.

<b>Work Programme Item</b>	<b>Planned Audit Committee date to be reported to in approved work programme</b>	<b>Actual Audit Committee reported to</b>	<b>Comments</b>
Risk Management Strategy - Review	April 2021	July 2020	The review of the Risk Management Strategy was included within the risk update report provided to Committee at their meeting in July 2020.
Annual Governance Statement including Annual Review of Effectiveness of Internal Control – 2020/21	April 2021	First meeting of the 2021/22 municipal year	The Annual Governance Statement has historically been reported to the June or July Committee, however the initial intention was to seek to bring a draft report to the April Committee. Due to the impact of Covid-19 on work commitments this has not been possible and it is now planned to be reported to the first committee of the new municipal year, however the 2019/20 position was reported to Committee during the current municipal year.
Assurance Map and Governance framework Update	April 2021	First meeting of the 2021/22 municipal year	This item was planned to accompany the Head of Internal Audit Opinion and Annual Governance Statement at the April committee, however given the position set out for those items above, this report is now also planned to be reported to the first Committee of the new municipal year.
Update on Redmond Review	N/A	April 2021	This item was not included in the work programme approved on 23 November 2020, however the report was added to the April Committee at the request of the Chair to provide a summary of the recent government consultation on changes to the local government external audit focus and associated timeline.
Council Tax and NNDR Internal Audit Report	N/A	April 2021	This item was not included in the work programme approved on 23 November 2020, however the report was added to the April Committee at the request of the Chair to provide information regarding controls in place in relation to administration of government Covid-19 support in this area.

3.3 Audit Committee are asked to note the delivery against the approved work programme, take the above position into account when considering the 2021/22 programme and utilise this review when preparing its annual report to Council.

#### **4. Resource and Legal Consideration**

- 4.1 The Audit Committee's remit is included within Part 3 of the council's constitution. The membership of Audit Committee comprises 7 councillors and 3 independent (non-voting) members.
- 4.2 The work programme seeks to ensure that the work of Audit Committee is focused on those areas requiring their scrutiny and oversight, specifically the internal control environment and assurance framework.

#### **5. Citizen Impact**

- 5.1 The Committee's work is a major aspect of the council's corporate governance framework. Its wide-ranging remit includes providing independent assurance on the adequacy of the internal control environment. It provides an independent review of governance, risk management, financial reporting and other governance processes, as well as overseeing the work of internal and external audit. This provides assurance to local taxpayers and other stakeholders on the adequacy of the council's arrangements in these regards.

#### **6. Performance and Risk Management issues**

- 6.1 The Audit Committee plays an important role in providing an independent review of governance, risk management and control frameworks, which include the council's arrangements for performance management.

#### **7. Equality Implications**

- 7.1 There are no equality implications directly related to this report.

#### **8. Consultation**

- 8.1 The council has regard to CIPFA guidance in establishing the remit and work programme of the Committee.

#### **9. Background Papers**

CIPFA 2018 guidance 'Audit Committees: Practical Guidance for Local Authorities & the Police'.

Audit Committee Report, 23 November 2020, 'Updated Audit Committee Work Programme 2020/21'



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## WALSALL COUNCIL – AUDIT COMMITTEE WORK PROGRAMME &amp; TIMETABLE 2020/21 – AS APPROVED 23 NOVEMBER 2020

Activity / Area of Assurance	Lead Officer	27 July 2020	23 November 2020	25 January 2021	12 April 2021
Overview of Key Issues for each report required by to Democratic Services for Agenda meeting with Chair		6 July	2 November	5 January	22 March
Date of Chair's agenda briefing meeting (Virtual Meeting / in Vicky's office @ 4.00pm)		14 July	10 November	12 January	30 March
Final Report required by Democratic Services		15 July	11 November	13 January	31 March
<b>Audit Committee Work:</b>					
Audit Committee role, remit and work programme 2020/21	DOF / HOF	✓	✓ (Updated)		
Chair's 2020/21 Annual Report to Council	DOF / HOF	✓			
Review of the Effectiveness of the Audit Committee - <i>moved from September to November (and January update removed) to balance work programme</i>	DHOFC / HIA		✓		
<b>Internal Audit and Risk:</b>					
Head of Internal Audit Annual Report 2019/20 and Opinion	HIA	✓ (2019/20)			✓ (2020/21 Draft)
Internal Audit Progress Report 2020/21 & KPI's	HOF / HIA	✓ (& Q1 KPI)	✓ (& Q2 KPI)	✓ (& Q3 KPI)	✓ (& Q4 KPI)
Risk Management update – Strategic Risk Register (SRR)	DHOFC / HIA	✓ Covid-19 Risks	✓	✓	
Risk Management Strategy - Review - <i>moved from February to April to balance work programme</i>	DHOFC / HIA				✓
Counter Fraud and Corruption Arrangements (Policy / Procedure Updates) and training/awareness raising programme – <i>moved from November to January (and April update removed) to accommodate Statement of Accounts change in Statutory Reporting and balance work programme</i>	DHOFC / HIA			✓	
Internal Audit Charter – <i>moved to January to match draft work plan</i>	HIA	✓ (2020/21)		✓ (2021/22)	
Internal Audit work plan	HIA	✓ (2020/21)		✓ (Draft 2021/22)	

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<b>Financial Management &amp; Statement of Accounts:</b>					
2019/20 Post Audit Statement of Accounts - <i>Statement of Accounts Statutory reporting and approval deadline moved to 30<sup>th</sup> November</i>	S151 Officer		✓		
Accounting Policies	DHOFC	✓ (2019/20)			✓ (2020/21)
<b>Governance / Other:</b>					
Annual Governance Statement including Annual Review of Effectiveness of Internal Control	DOF / HOF	✓ (Draft 2019/20)	✓ (Final – included in SoA above)		✓ (Draft 2020/21)
Annual Review of the Scheme of Delegations to Officers	MO				✓
Corporate Performance Management Framework Refresh - <i>moved from November to January</i>	CAM			✓	
Assurance Map and Governance framework Update - <i>moved from January to April to sit alongside Performance Management Framework and Risk Management Strategy</i>	HIA / DHOFC				✓
<b>Specific External Audit Work:</b>					
Reporting of external inspections and reviews - <i>as they arise</i>	DOF / ED'S				
External Audit's request for information on how the Audit Committee gains assurance over management processes and arrangements	HOF			✓(2020/21 accounts)	
External Audit Plan Update 2019/20 Accounts – update for Covid-19	GT	✓			

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Audit Findings Reports (Opinion on the financial statements and VFM conclusion 2019/20) <i>Statement of Accounts Statutory reporting and approval deadline moved to 30<sup>th</sup> November</i>	GT	✓ (Progress Update)	✓		
Annual Audit & Inspection Letter 2019/20 <i>Moved from November to accommodate Statement of Accounts change in Statutory Reporting</i>	GT			✓	
<b>Specific External Audit Work:</b>					
Annual Certification Work 2019/20	GT			✓	
External Audit Plan 2020/21 Accounts	GT			✓	

<p><b>Key to Lead Officers:</b></p> <p><b>S151 Officer</b> – Officer charged with being responsible for the administrator of the council financial affairs (Chief Finance Officer)</p> <p><b>MO</b> – Assistant Director of Legal &amp; Democratic Services (Monitoring Officer)</p> <p><b>DOF</b> – Director of Finance, Corporate Landlord and Corporate Performance Management (Deputy S151 Officer)</p> <p><b>HOF</b> – Head of Finance</p> <p><b>DHOFC</b> – Deputy Head of Finance (Corporate)</p>	<p><b>GT</b> – Grant Thornton (External Audit)</p> <p><b>HIA</b> – Head of Internal Audit (Mazars)</p> <p><b>CAM</b> – Corporate Assurance Manager</p> <p><b>HICT</b> – Head of Information, Communication and Technologies</p> <p><b>ED's</b> – Executive Directors</p>
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