

REPORT OF THE DEPUTY CHIEF EXECUTIVE & CORPORATE DIRECTOR OF
RESOURCES

AUDIT COMMITTEE ANNUAL WORK PROGRAMME

1. SUMMARY

This report updates the Audit Committee work programme endorsed at the February 2013 meeting of this Committee to reflect reports to be presented by the external auditor (KPMG).

2. RECOMMENDATION

The revised outline work programme, updated to include additional dates provided by KPMG, at **Appendix 1** be endorsed.

3. REASONS FOR CONSIDERATION

- 3.1 An Audit Committee is central to the provision of effective corporate governance, which partly depends on a systematic strategy, clear framework and processes for managing risk. Good governance also maintains and increases public confidence in the objectivity and fairness of financial and other reporting as well as helping to deliver improved services. It is important that local authorities have independent assurance about the mechanisms underpinning these aspects of governance.
- 3.2 It is recognised that high performing councils develop effective financial and non-financial control mechanisms. The development of expertise made available by the establishment of an Audit Committee, meeting on a regular cycle.
- 3.3 The Audit Committee work programme supports the Council's aim to improve its efficiency and effectiveness and has been developed to address the Terms of Reference for the Committee.
- 3.4 A work programme was endorsed by the Committee at its February meeting. This programme has now been updated to reflect information provided by the Council's external Auditor KPMG, The updated work programme is attached as **Appendix 1**.

4. ROLE OF THE AUDIT COMMITTEE

The purpose of an Audit Committee is to provide independent assurance on the adequacy of the governance and control environment, the effectiveness of the Risk Management Framework, and to oversee the annual financial reporting process.

5. BENEFITS OF THE AUDIT COMMITTEE

The benefits to be gained from operating an effective Audit Committee are that it:

- raises greater awareness of the need for internal control and the implementation of audit recommendations;
- increases public confidence in the objectivity and fairness of financial and other reporting;
- reinforces the importance and independence of internal and external audit and any other similar review process eg providing a view on the Annual Governance Statement;
- provides additional assurance through a process of independent and objective review.

6. GOVERNANCE ROLE

The Audit Committee aims to improve corporate focus on governance by:

- providing assurance on the adequacy of the Risk Management Framework and the associated control environment;
- scrutinising the Council's financial and non-financial performance to the extent that it affects the Council's exposure to risk and weakens the control environment;
- overseeing the financial reporting process;
- approving the Council's Statement of Accounts;
- commenting on the scope and nature of external audit;
- overseeing proposed and actual changes to the Council's policies and procedures pertaining to governance

7. LEGAL IMPLICATIONS

An Audit Committee is not a legal requirement but its establishment reflects best practice and will reinforce the importance of probity and performance and risk management within the Council and in relation to its partnership working.

8. FINANCIAL IMPLICATIONS

None

9. BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

None

10. PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

None

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REPORT TITLE	MEETING ▽	26.04.13	28.06.13	26.07.13	27.09.13	29.11.13	28.02.14	25.04.14
	LEAD ▽							
Annual Governance Statement Interim Report	TK/SS			▨				
Annual Governance Statement	TK/SS				▨			
Annual Governance Statement Mid Year Update	TK/SS						▨	
Audit Committee Annual Report	Chair			▨				
Audit Committee Role & Annual Work Programme	TK/SS	▨				▨	▨	
Audit Committee Training Activity	TK/SS		▨					
Counter Fraud Strategy	TK/SS					▨		
EMSS Update	TK/SS			▨		▨	▨	
Internal Audit Annual Report & Audit Charter	TK/SS			▨				
Internal Audit Plan / Performance Report	TK/SS	▨		▨		▨	▨	
Internal Audit Reports Selected for Examination	TK/SS			▨		▨		▨
KPMG – External Audit Protocol	KPMG	▨						
KPMG – Interim statement of audit progress	KPMG			▨				
KPMG – Report to Those Charged with Governance	KPMG				▨			
KPMG – Annual Audit Letter	KPMG					▨		
KPMG – External Audit Plan	KPMG						▨	
LGO Annual Report	CR/TL/LN					▨		
Partnership Governance Framework	CR/LJ	▨				▨	▨	
Risk Management Annual Report	TK/SB			▨				
Risk Management Quarterly Report	TK/SB	▨		▨		▨	▨	▨
Risk Management Strategy/Framework	TK/SB					▨		
Risk Management Training	TK/SB		▨					
Statements of Accounts / Accounting Policies	TK/JA	▨		▨	▨			
Treasury Management Annual Report	TK/JA			▨				
Treasury Management Strategy & Key Issues Update	TK/JA			▨		▨		

Key	Audit Committee Action
▨	As required
▨	For approval
▨	Reviewing performance

Author	Author
Chair	Chair of Audit Committee
CR	Claire Richmond
JA	Jeff Abbott
KPMG	External Auditor
LJ	Liz Jones
SB	Simon Burton
TK	Tony Kirkham
SS	Shail Shah
LN	Lynne North
TL	Tracy Laxton