

### Audit Committee: Work Programme 2018/19

Meeting Date – 10 December 2018, 10am (Report deadline 29 November 2018) 55 minutes					
Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
External Audit Progress Report and Update	Karen Murray	External Audit (Mazars)	Update on the work of the External Auditor in respect of the 2018/19 external audit	2 4.7	10
Review of Code of Corporate Governance	Courtney Brightwell	Performance Manager	To consider and comment on the updated Code of Corporate Governance <i>To consider and comment</i>	1 3 4.10 4.12	20
	Kate Waterhouse	Head of Performance, Research & Intelligence			
Risk and Resilience Strategy and Corporate Risk Register	Tom Powell John Gill	Head of Audit and Risk Risk and Resilience Manager	Corporate risk update and corporate risk profile as articulated in the latest refresh of the corporate risk register.	4.1	20
Risk Review Item	Tom Powell	Head of Audit and Risk	Update reports from officers on areas of focus to be agreed by Committee arising from limited/no assurance Internal Audit reports, outstanding audit recommendations or management of risk.  No reports planned <i>To consider and comment</i>	4.1	N/A
Work Programme and Audit Committee Recommendations Monitor	Andrew Woods	Governance Team Leader			5

Meeting Date – 14 January 2019, 10am (Report deadline 6 January 2018)					
Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
<b>No Business Planned</b>					

**Meeting Date – 11 February 2019, 10am (Report deadline 3 February 2019) 135 minutes**

Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
Internal Audit Assurance Report	Tom Powell Kathryn Fyfe	Head of Audit and Risk Audit Manager	Summary of internal audit activity and report opinions to the end of quarter three. <i>To consider and comment</i>	4.4	20
Outstanding Audit Recommendations	Tom Powell Kathryn Fyfe	Head of Audit and Risk Audit Manager	Update on the implementation of internal and external audit recommendations for each Directorate to the end of quarter three. <i>To consider and comment</i>	4.4	15
Counter Fraud Policies Update	Tom Powell	Head of Audit and Risk	Report on updates to counter fraud related policies to reflect legislative requirements and best practice <i>To consider and comment</i>		10
Corporate Risk Register	Tom Powell John Gill	Head of Audit and Risk Risk and Resilience Manager	Corporate risk profile as articulated in the latest refresh of the corporate risk register.	4.1	20
Register of Significant Partnerships	Courtney Brightwell  Kate Waterhouse	Performance Manager  Head of Performance, Research & Intelligence	Summary of the progress in implementing recommendations arising from the register of significant partnerships. <i>To consider and comment</i>	4.10 4.12	20
Accounting Concepts and Policies, Critical Accounting Judgements and Key Sources of Estimation Uncertainty	Carol Culley Janice Gotts Karen Gilfoy	City Treasurer Deputy City Treasurer Chief Accountant	To explain the accounting concepts and policies, critical accounting judgements and key sources of estimation uncertainty that will be used in preparing the accounts. <i>To consider and comment</i>	1 4.9	10
Grants Certification Report	Mark Heap	External Audit (Grant Thornton)	Report from the External Auditor in respect of the audit of grant returns 2017/18, any issues arising and associated fees. <i>To consider and comment</i>	4.7	5
External Audit Progress Report and Update	Karen Murray	External Audit (Mazars)	Update on the work of the External Auditor	2 4.7	10

**Meeting Date – 11 February 2019, 10am (Report deadline 3 February 2019) 135 minutes**

Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
Risk Review Item	Tom Powell	Head of Audit and Risk	Update reports from officers on areas of focus to be agreed by Committee arising from limited/no assurance Internal Audit reports, outstanding audit recommendations or management of risk.  Proposed report on Health and Social Care Assurance Framework (tbc with Chair)  <i>To consider and comment</i>	4.1	20
Work Programme and Audit Committee Recommendations Monitor	Andrew Woods	Governance Team Leader			5

**Meeting Date – 11 March 2019, 10am (Report deadline tbc)**

Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
<b>No Business Planned</b>					

**TBC Meeting Date – 15 April 2019, 10am (Report deadline 4 April 2019) 130 minutes**

Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
Draft Annual Governance Statement (AGS)	Courtney Brightwell	Performance Manager	To advise the processes followed to produce the AGS and obtain Audit Committee input to the draft statement.	1 3	30
	Kate Waterhouse	Head of Performance, Research & Intelligence	<i>To consider and comment</i>	4.10 4.12	
Review of Internal Audit and Quality Assurance Improvement Programme (QAIP)	Carol Culley	City Treasurer	To consider organisational arrangements for the delivery of internal audit in line with legislation and Public Sector Internal Audit Standards. To include review of Audit Committee Terms of Reference and Internal Audit Charter.  <i>To consider and comment</i>	3	15

**TBC Meeting Date – 15 April 2019, 10am (Report deadline 4 April 2019) 130 minutes**

Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
Head of Audit and Risk Management Annual Opinion	Tom Powell	Head of Audit and Risk	Head of Internal Audit and Risk Management Annual Opinion on the Council's systems of governance, risk management and internal control as well as a summary of audit work undertaken in the year. <i>To consider and comment</i>	4.6	30
Annual Internal Audit Plan	Tom Powell Kathryn Fyfe	Head of Audit and Risk Audit Manager	To provide the Internal Audit Strategy and annual internal audit work plan for Audit Committee consideration in line with Public Sector Internal Audit Standards. <i>To review and approve</i>	4.2 4.3	20
Audit Strategy Memorandum	External Audit	Karen Murray (Mazars)	To provide an overview of the planned scope and timing of the annual external audit for 2018/19. <i>To consider and comment</i>	2 4.7	10
Risk Review Item	Tom Powell	Head of Audit and Risk	Update reports from officers on areas of focus to be agreed by Committee arising from limited/no assurance Internal Audit reports, outstanding audit recommendations or management of risk. <i>To consider and comment</i>	4.1	20
Work Programme and Audit Committee Recommendations Monitor	Andrew Woods	Governance Team Leader			5

**TBC Meeting Date – June 2019, 10am (Report deadline tbc) 95 minutes**

Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
Internal Audit Annual Report	Tom Powell Kathryn Fyfe	Head of Audit and Risk Audit Manager	Report of internal audit activity for the year. <i>To consider and comment</i>	4.4	10
Draft Annual Statement of Accounts	Carol Culley Janice Gotts Karen Gilfoy	City Treasurer Deputy City Treasurer Chief Accountant	To report the Annual Accounts prepared for submission to the external auditor for review. <i>To consider and comment</i>	1	30
Revenue Budget Outturn Report	Carol Culley	City Treasurer	To report the revenue outturn for the year as reported to Executive. <i>To note</i>	1	5
Capital Budget Outturn Report	Carol Culley	City Treasurer	To report the capital outturn for the year as reported to Executive. <i>To note</i>	1	5
Response letters from City Treasurer and Audit Committee Chair to the External Auditor	Carol Culley	City Treasurer	Draft responses proposed to be issued to the External Auditor from the City Treasurer and the Audit Committee Chair for the audit of the accounts	1	5
Treasury Management (Outturn) Report	Carol Culley Janice Gotts Karen Gilfoy Tim Seagrave	City Treasurer Deputy City Treasurer Chief Accountant Finance Lead	To report the Treasury Management activities of the Council for the year. <i>To consider and comment</i>	4.11	10
External Audit Progress Report	Karen Murray	External Audit (Mazars)	Update from the External Auditor in the delivery of the external audit plan <i>To consider and comment</i>	4.7	5
Risk Review Item	Tom Powell	Head of Audit and Risk	Update reports from officers on areas of focus to be agreed by Committee arising from limited/no assurance Internal Audit reports, outstanding audit recommendations or management of risk. <i>To consider and comment</i>	4.1	20
Work Programme and Audit Committee Recommendations Monitor	Andrew Woods	Governance Team Leader			5

## Audit Committee Terms of Reference: As Constitution May 2017

1. To consider and approve the authority's statement of accounts, including the Annual Governance Statement in accordance with the Accounts and Audit Regulations 2015.
2. To consider, as soon as reasonably practicable, the annual letter from the external auditor in accordance with the Accounts and Audit Regulations 2015 and to monitor the Council's response to individual issues of concern identified
3. To consider the findings of the Council's annual review of the effectiveness of its system of internal control under the Accounts and Audit Regulations 2015, including the effectiveness of its system of internal audit
4. In furtherance of the Council's duty to make arrangements for the proper administration of its financial affairs and the Committee's responsibilities under the Accounts and Audit Regulations 2015 set out above:
  - 4.1. To obtain assurance over the Council's corporate governance and risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements.
  - 4.2. To review and approve (but not direct) the terms of reference for internal audit and an Internal Audit Strategy.
  - 4.3. To review and approve (but not direct) the internal annual audit programme considering the effectiveness of proposed and actual coverage in providing adequate assurance over the Council's arrangements for governance, risk management and system of internal control.
  - 4.4. To monitor the implementation and outcomes of the Council's internal audit programme and where required, to review summary and individual audit reports with significant implications for financial management and internal control.
  - 4.5. To seek assurance on the adequacy of management response to internal audit advice, findings and recommendations in the form of implementation of agreed action plans
  - 4.6. To receive the Annual Report of the Head of Internal Audit
  - 4.7. To consider the external auditor's annual letter, relevant reports and the annual report to those charged with governance on issues arising from the audit of the Statement of Accounts.

4.8. To engage with the external auditor and external inspection agencies and other relevant bodies to ensure that there are effective relationships between external and internal audit.

4.9. To make recommendations to the Chief Finance Officer and Monitoring Officer in respect of Part 5 of the Council's Constitution (Financial Regulations).

4.10. To consider the Code of Corporate Governance.

4.11. To monitor the performance of the Treasury Management function including:

- approval of / amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices
- budget consideration and approval
- approval of the division of responsibilities
- receiving and reviewing regular monitoring reports and acting on recommendations
- approving the selection of external service providers and agreeing terms of appointment.

4.12. To consider and advise the Council on the Annual Governance Statement.



### Recommendations Monitor 2018/19

Date	Item	Recommendation	Response	Contact Officer
25 January 2018	AC/18/07 Monitoring Previous Recommendations	<p>2. To request that a progress report is submitted in six months on the development and introduction of a Contract Management Improvement Plan and that this is followed by regular reports to the Audit Committee.</p> <p>3. To request that a requirement is included within the terms of contract agreements with the Council for the contract service provider to produce and submit Key Performance Indicator data that can be recorded and used as part of the analysis of the contract.</p> <p>4. To request that an accessible dashboard is developed and introduced to enable elected members to monitor the Key Performance Indicator data on Council contracts.</p>	<p><b>Complete</b>  <u>Contract Management and Governance update report</u> to Audit Committee November 2018</p>	Carol Culley City Treasurer
22 March 2018	AC/18/15 Review of Effectiveness of Internal Audit	<p>4. To request that the subsequent reports on the Review of Effectiveness of Internal Audit include recognition of the importance of the role of the independent members serving on the Audit Committee.</p>	<p>This will be reflected in the 2018/19 review to be presented to March or June 2019 Audit Committee.</p>	Carol Culley City Treasurer
22 March 2018	AC/18/16 Head of Audit and Risk Management Annual Opinion	<p>3. To agree the inclusion of the following topics on the Committee Work Plan:</p> <p>- Governance arrangements for the Integration of Health and Social Care, including submission of end of year accounts in respect of the Local Care Organisation and Manchester Health and Social</p>	<p>Governance arrangements for the Integration of Health and Social Care to be scheduled</p>	Tom Powell Head of Audit and Risk

		Care Commissioning.  - Contract Management arrangements and system development.	<b>Complete</b> <u>Contract Management and Governance update report to Audit Committee November 2018</u>	
22 March 2018	AC/18/18 Risk Review Item: Adults Assurance Update	To request that a further report is submitted to the meeting of the Audit Committee 3 September 2018 action plan in place to deal with the four limited assurance audit reports.	<b>Complete</b> <u>Adults Assurance Update report provided to Audit Committee September 2018</u>	Tom Powell Head of Audit and Risk
11 June 2018	AC/18/29 Annual Statement of Accounts 2017/18	To agree to refer the issue of public health investment in addressing childhood obesity to the Children and Young People Scrutiny Committee for inclusion on the Annual Work Programme.	<b>Complete</b> This has been added to the <u>Children and Young People Scrutiny Committee Annual Work Programme</u> for December 2018	
31 July 2018	AC/18/37 Annual Statement of Accounts 2017/18 and Letter of Representation	To request officers to refresh the description of the core functions of Council committees, as detailed in Appendix 2 of the report, and include this within the 2018/19 Statement of Accounts.	For inclusion in 2018/19 accounts to Audit Committee June 2019	Carol Culley City Treasurer
31 July 2018	AC/18/39 Internal Audit Assurance Report	To request that a briefing note be provided for members of the committee to explain the functions, roles and responsibilities regarding Disclosure and Barring Service checks.	<b>Complete</b> <u>DBS Update report</u> provided to Audit Committee September 2018	Tom Powell Head of Audit and Risk
31 July 2018	AC/18/40 Outstanding Audit Recommendations	To request that a report is submitted to the September meeting of the Audit Committee to provide an update on ICT Disaster Recovery including the three recommendations	<b>Complete</b> <u>ICT DR and PSN report</u> provided to Audit Committee September 2018	Tom Powell Head of Audit and Risk

		<p>not taken forward and to provide further information on the Public Services Network (PSN).</p> <p>To request that a Risk Item report be presented to a future meeting of the Audit Committee in response to concerns expressed relating to the North West Foster Care Framework and the Multi Agency Safeguarding Hub and to include details of any formal and informal work involved.</p>	<p><b>Complete</b>  <u>Childrens Services Audit Recommendations Update</u> report provided to Audit Committee September 2018</p>	
5 Nov 2018	AC/18/52 Internal Audit Assurance Report	<p>To request that a report is submitted to the next meeting of the Committee providing a review of lower priority rating of the audit of Manchester Support for Independent Living.</p> <p>To request that a report is submitted to the meeting of the Committee in February 2019 to give an update on the working arrangements of audit work of Mental Health casework compliance in respect of the Greater Manchester Mental Health Trust.</p>	<p>See actions under AC/18/55  For Audit Committee agenda February 2019</p> <p>For Audit Committee agenda February 2019</p>	
5 Nov 2018	AC/18/54 2018/19 Annual Governance Statement (AGS) – Summary of Progress to Date	<p>To request that the <b>Annual Governance Statement</b> includes a response to concerns expressed regarding the consistency of the implementation of the Our Manchester behaviours across all areas of the Council’s services and staff.</p> <p>To request the Resources and Governance Human Resources Sub-Group to consider a report that provides feedback on the BHeard survey, an update on the training and implementation of the Our Manchester Strategy and to update on the arrangements for Council staff to attend Listening in</p>	<p>Forwarded to Human Resources Sub-Group</p>	

		<p>Action events.</p> <p>To note the comments made regarding the Our Manchester Experience and to pass the comments on to the officers involved in the refresh of the experience.</p> <p>To request that, as part of the <b>Annual Complaints report</b>, officers include details on the number of Freedom of Information and other subject access requests made to the Council and provide details of the average length of staff time taken to process a request and costs involved.</p> <p>To request the Resources and Governance Human Resources Sub-Group to consider issues raised within Action 11 of the report submitted relating to “improvement of governance and communication of workforce policy and associated guidance, including embedding new ways of working”.</p>	<p>For Annual Complaints Report</p> <p>Forwarded to Human Resources Sub-Group</p>	
5 Nov 2018	AC/18/55 Governance Improvement Progress for Partnerships with Medium of High Risk Assessment Ratings	To note the comments received in respect of Manchester Service for Independent Living and <b>request officers</b> to undertake a review of the audit assumptions made on Manchester Service for Independent Living and provide an update on the partnership for the meeting of the Committee on 11 February 2018.	For Audit Committee agenda February 2019	