

## Manchester City Council Audit Committee Work Programme 2019/20 (Draft for Audit Committee Comment)

Month	Key Items	Owner
11 June	Draft Statement of Accounts Finance Outturn Reports and Treasury Management (Final) Internal Audit Annual Report	Finance Finance Audit and Risk
30 July	External Audit Report Final Statement of Accounts Internal Audit Quarterly Reports (Q1)	EA Finance Audit and Risk
17 September	Register of Significant Partnerships Update Annual Counter Fraud Report (Part B)	PRI Audit and Risk
15 October	Propose Annual Training Event	
12 November	AGS Update Register of Significant Partnerships Update Treasury Management (Interim) Internal Audit Quarterly Reports (Q2)	PRI PRI Finance Audit and Risk
10 December	Annual Audit Letter Grants Certification Report Review of Code of Corporate Governance	EA EA PRI
14 January	Propose no meeting	
11 February	Risk Management Strategy and Risk Register Internal Audit Quarterly Reports (Q3)	Audit and Risk Audit and Risk
10 March	Register of Significant Partnerships Accounting Concepts and Policies, Critical Accounting Judgements and Key Sources of Estimation Uncertainty Annual Internal Audit Plan	PRI Finance Audit and Risk
April (not currently scheduled)	Draft Annual Governance Statement (AGS) Head of Audit and Risk Management Annual Opinion Review of Internal Audit and Quality Assurance Improvement Programme (QAIP)	PRI Audit and Risk Audit and Risk

**Meeting Date 30 July 2019 – 10am (Report deadline 19 July) 105 minutes**

Item	Lead Officer	Position	Comments	AC ToR	Time
Audit Findings Report	Karen Murray	External Audit (Mazars)	Report from the External Auditor confirming progress and any issues arising from the audit of the accounts. <i>To receive assurance</i>	4.7	20
Annual Statement of Accounts	Carol Culley Janice Gotts Karen Gilfoy	Deputy Chief Executive and City Treasurer Deputy City Treasurer Chief Accountant	To seek Audit Committee approval for the Annual Accounts following external auditor review. Item to include confirmation of completion of: Letters / enquires for the Deputy Chief Executive and City Treasurer <ul style="list-style-type: none"> <li>• and Audit Committee Chair</li> <li>• Letter of Representation</li> </ul> <i>To approve</i>	1	30
Internal Audit Assurance Report	Tom Powell Richard Thomas Kathryn Fyfe	Head of Audit and Risk Deputy Head of Audit and Risk Audit Manager	Summary of internal audit activity and report opinions to the end of quarter one. <i>To consider and comment</i>	4.4	20
Outstanding Audit Recommendations	Tom Powell Richard Thomas Kathryn Fyfe	Head of Audit and Risk Deputy 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 one. <i>To consider and comment</i>	4.4	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
---	--------------	------------------------	--	--	---

**Meeting Date 17 September 2019, 10am (Report deadline 6 September) 85 minutes**

Item	Lead Officer	Position	Comments	AC ToR	Time
External Audit Progress Report and Update	Karen Murray	External Audit (Mazars)	Update on the work of the External Auditor	2 4.7	10
Register of Significant Partnerships Update	Courtney Brightwell  Kate Waterhouse	Performance Manager  Head of Performance, Research & Intelligence	Half Year Update on actions taken to strengthen and develop arrangements with significant partnerships <i>To consider and comment</i>	1 3 4.10 4.12	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. <i>To consider and comment</i>	4.1	20
Work Programme and Audit Committee Recommendations Monitor	Andrew Woods	Governance Team Leader			5
<b>Part B Exclusion of Press and Public</b>					
Annual Counter Fraud Report	Tom Powell Kathryn Fyfe Helen Smith	Head of Audit and Risk Audit Manager Lead Auditor	Annual report of counter fraud activity <i>To consider and comment</i>	4.1	30

**Meeting Date 12 November 2019, 10am (Report deadline 1 November) 115 minutes**

<b>Item</b>	<b>Lead Officer</b>	<b>Position</b>	<b>Comments</b>	<b>AC ToR</b>	<b>Time</b>
Internal Audit Assurance Report	Tom Powell Richard Thomas Kathryn Fyfe	Head of Audit and Risk Deputy Head of Audit and Risk Audit Manager	Summary of internal audit activity and report opinions to the end of quarter two. <i>To consider and comment</i>	4.4	20
Outstanding Audit Recommendations	Tom Powell Richard Thomas Kathryn Fyfe	Head of Audit and Risk Deputy 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 two. <i>To consider and comment</i>	4.4	10
Register of Significant Partnerships Update	Courtney Brightwell Kate Waterhouse	Performance Manager  Head of Performance, Research & Intelligence	Update of actions being taken to provide assurance over the Council's role in significant partnerships. <i>To consider and comment</i>	4.10 4.12	20
Annual Governance Statement Update	Courtney Brightwell Kate Waterhouse	Performance Manager  Head of Performance, Research & Intelligence	Summary of the progress in implementing recommendations from the Annual Governance Statement. <i>To consider and comment</i>	1 3 4.10 4.12	20
Treasury Management (Interim) Report	Janice Gotts Karen Gilfoy Tim Seagrave	Deputy City Treasurer Chief Accountant Finance Lead	Update on the Treasury Management activities of the Council. <i>To consider and comment</i>	4.11	10
External Audit Progress Report and Update	Karen Murray	External Audit (Mazars)	Update on the work of the External Auditor	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
--	--------------	------------------------	--	--	---

Meeting Date 10 December 2019, 10am (Report deadline 29 November) 85 minutes					
Item	Lead Officer	Position	Comments	AC ToR	Time
Annual Audit Letter	Karen Murray	External Audit (Mazars)	Report from the External Auditor on the overall findings and recommendations resulting from the 2018/19 annual audit plan. <i>To consider and comment</i>	2 4.7	10
Grants Certification Report		KPMG	Report from KPMG in respect of the audit of grant returns 2018/19, any issues arising and associated fees. <i>To consider and comment</i>	4.7	10
Review of Code of Corporate Governance	Courtney Brightwell Kate Waterhouse	Performance Manager Head of Performance, Research & Intelligence	To consider and comment on the updated Code of Corporate Governance <i>To consider and comment</i>	1 3 4.10 4.12	20
Annual Audit Plan – Horizon Scanning Report	Tom Powell Richard Thomas Kathryn Fyfe	Head of Audit and Risk Deputy Head of Audit and Risk Audit Manager	Report on areas of potential risk and focus for 2020/21 and future years' internal audit planning. As requested by Audit Committee in February 2019 meeting <i>To consider and comment</i>	4.2 4.3	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. <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 February 2020, 10am (Report deadline 31 January) 75 minutes**

<b>Item</b>	<b>Lead Officer</b>	<b>Position</b>	<b>Comments</b>	<b>AC ToR</b>	<b>Time</b>
Internal Audit Assurance Report	Tom Powell Richard Thomas Kathryn Fyfe	Head of Audit and Risk Deputy 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 Richard Thomas Kathryn Fyfe	Head of Audit and Risk Deputy 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	10
Risk Management Strategy and Risk Register	Tom Powell Richard Thomas John Gill	Head of Audit and Risk Deputy Head of Audit and Risk Risk and Resilience Manager	Update on the Council's risk management strategy and governance arrangements. To include the corporate risk profile as articulated in the latest refresh of the corporate risk register. <i>To consider and comment</i>	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. <i>To consider and comment</i>	4.1	20
Work Programme and Audit Committee Recommendations Monitor	Andrew Woods	Governance Team Leader			5

**Meeting Date 10 March 2020, 10am (Report deadline 28 February) 85 minutes**

<b>Item</b>	<b>Lead Officer</b>	<b>Position</b>	<b>Comments</b>	<b>AC ToR</b>	<b>Time</b>
Annual Audit Plan	Karen Murray	External Audit (Mazars)	Report from the External Auditor on the External Audit Plan for the audit of the accounts and value for money conclusion for year ending 31 March 2020 <i>To consider and comment</i>	2 4.7	10
Register of Significant Partnerships	Courtney Brightwell Kate Waterhouse	Performance Manager Head of Performance, Research & Intelligence	Annual review of 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
Annual Internal Audit Plan	Tom Powell Richard Thomas Kathryn Fyfe	Head of Audit and Risk Deputy 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
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



**Meeting Date for April TBC (proposed 7 April 2020), 10am (Report deadline 27 March ) 105 minutes**

Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
Draft Annual Governance Statement (AGS)	Courtney Brightwell  Kate Waterhouse	Performance Manager  Head of Performance, Research & Intelligence	To advise the processes followed to produce the AGS and obtain Audit Committee input to the draft statement. <i>To consider and comment</i>	1 3 4.10 4.12	30
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
Review of Internal Audit and Quality Assurance Improvement Programme (QAIP)	Carol Culley	Deputy Chief Executive and 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 the Internal Audit Charter. <i>To consider and comment</i>	3	15
Annual Review of Audit Committee Terms of Reference	Andrew Woods	Governance Team Leader	To review the Committee terms of reference and operation of the Committee. To propose changes (where required) for consideration at Council. <i>To consider and comment</i>		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 (pending update)

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.

### Audit Committee - Recommendations Monitor

Date	Item	Recommendation	Response	Contact Officer
22 March 2018	AC/18/15 Review of Effectiveness of Internal Audit	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.	This will be reflected in the 2018/19 review to be presented to March or June 2019 Audit Committee.	Carol Culley City Treasurer
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
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 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>		

10 December 2018	AC/18/63 Draft Code of Corporate Governance	<p>To request officers to circulate to Audit Committee members, information and examples of benchmarking work used to assess functions, expenditure and performance.</p> <p>To request officers to strengthen the wording used to set out responsibilities on Managing Data and that this be included in the programme of implementation for the Annual Governance Statement.</p> <p>To request the Member Development Working Group to include within its Annual Work Programme for members training 'understanding of the Council Constitution - the protocol governing officer member relations'.</p>	The MDWG has received the request and included the topic in its work programme.	
11 February 2019	AC/19/04 Internal Audit: Manchester Support for Independent Living (MSIL) Risk Assessment and Audit Plan	To request the Head of Internal Audit and Risk Management to include a draft Annual Audit Plan Visioning report item in the Annual Work Programme 2019/20 for submission to the December 2019 meeting of the Committee.		
11 February 2019	AC/19/07 Health and Social Care Assurance Framework	To request that the minutes of the Manchester Local Care Organisation Audit Committee be submitted to the Audit Committee for information.		
15 April 2019	AC/19/19 Review of Effectiveness of Internal Audit	To request that a report is submitted to the Audit Committee in six months to provide details on the		

		circulation of audit reports and summary reports to Executive Members.		
--	--	--	--	--