

# Gloucester City Council

<b>Meeting:</b>	<b>Audit &amp; Governance Committee</b>	<b>Date:</b>	<b>17 March 2014</b>
	<b>Constitutional &amp; Electoral Working Group</b>		<b>25 March 2014</b>
	<b>Council</b>		<b>27 March 2014</b>
<b>Subject:</b>	<b>Review of Frequency of Audit and Governance Committee meetings</b>		
<b>Report Of:</b>	<b>Audit, Risk &amp; Assurance Manager</b>		
<b>Wards Affected:</b>	<b>All</b>		
<b>Key Decision:</b>	<b>No</b>	<b>Budget/Policy Framework:</b>	<b>No</b>
<b>Contact Officer:</b>	<b>Terry Rodway, Audit, Risk &amp; Assurance Manager</b>		
	<b>Email: Terry.Rodway@gloucester.gov.uk</b>	<b>Tel:</b>	<b>396430</b>
<b>Appendices:</b>	<b>1. List of 'standard' reports to Audit &amp; Governance Committee</b>		
	<b>2. Suggested Frequency of meetings/Agenda Items</b>		

## 1.0 Purpose of Report

- 1.1 To consider a review of the frequency of Audit and Governance Committee meetings and to make recommendations on meeting frequency for adoption by the Council.

## 2.0 Recommendations

- 2.1 Audit and Governance Committee is asked to **RECOMMEND** to Constitutional and Electoral Working Group and Council that the frequency of meetings for the Audit and Governance Committee at Appendix 2 be approved.
- 2.2 Constitutional and Electoral Working Group is asked to **RECOMMEND** to Council that the frequency of meetings for the Audit and Governance Committee at Appendix 2 be approved.
- 2.3 Council is asked to **RESOLVE** that the frequency of meetings for the Audit and Governance Committee at Appendix 2 be approved.

## 3.0 Background and Key Issues

- 3.1 The Audit & Governance Committee's current frequency of meetings, as per the Constitution, is "4 meetings per annum together with such other meetings as the Committee Chair shall consider necessary or appropriate". The 4 scheduled meetings have, in previous years, tended to be held in March, June, September, and December.

- 3.2 The latest CIPFA guidance 'Audit Committees Practical Guidance for Local Authorities and Police – 2013 Edition' states:-
- To fit with planning, monitoring and annual reporting arrangements, most organisations will find they will require at least 4 meetings a year.
  - Aspects of the audit committee agenda will be determined by statutory requirements related to the accounts and matters related to the financial year.
  - Outside of these agenda items, the audit committee should aim to manage its agenda according to its assurance needs to fulfil its terms of reference.
- 3.3 Following the Committee meeting on 25 November 2013, a Working Group was formed to consider, amongst other things, the frequency of committee meetings. The Working Group met on 6 March 2014 and considered the table shown at Appendix 1. The Working Group requested that the details be re-presented in a format that readily identified the number of reports to be presented to each scheduled meeting and to review whether further additional meetings were required. This revised format is shown at Appendix 2. In order to try and have a balanced agenda, in terms of number of reports for each meeting, an additional meeting has been suggested. It is this suggested frequency of meetings shown at Appendix 2, which is being recommended for adoption.
- 3.4 The list of reports identified in the Appendices is based on the 'standard' reports routinely presented to Committee. In accordance with the Committee's terms of reference, additional reports will be presented to Committee as and when required, e.g. a review of the Council's anti-fraud policies. However, as these are reported less frequent than the 'standard' reports, it is suggested that, these reports are timetabled for review by the Committee at the meetings that have fewer agenda items (i.e. currently the proposed January meeting).
- 3.5 The Committee is asked to note that the calendar of meetings for this civic year only includes 3 meetings of this Committee. Consideration of a suitable date for a 4<sup>th</sup> meeting during this civic year will be discussed at this meeting.

#### **4.0 Alternative Options Considered**

- 4.1 No other options have been considered.

#### **5.0 Reasons for Recommendations**

- 5.1 It is good practice to regularly review the frequency of meetings for the Committee to ensure that they remain up-to-date and reflect best practice.

#### **6.0 Future Work and Conclusions**

- 6.1 As has been identified in the report.

#### **7.0 Financial Implications**

- 7.1 There are no direct financial implications arising out of this report.

(Financial Services have been consulted in the preparation this report.)

## **8.0 Legal Implications**

- 8.1 Under the Local Government Act 2000, the Council is required to have a Constitution setting out its governance arrangements. CIPFA guidance also requires the Committee to regularly review its effectiveness and this includes ensuring that its frequency of meetings helps to ensure it can operate effectively and fulfil its purpose.

(Legal Services have been consulted in the preparation this report.)

## **9.0 Risk & Opportunity Management Implications**

- 9.1 If the frequency of meetings for the Committee is not reviewed, there is a risk that they will cease to reflect best practice or be appropriate for the functions the Committee needs to perform.

## **10.0 People Impact Assessment (PIA):**

- 10.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact, there a full PIA was not required.

## **11.0 Other Corporate Implications**

### Community Safety

- 11.1 There are no specific Community Safety implications relating to the recommendation made in this report.

### Sustainability

- 11.2 There are no specific Sustainability implications relating to the recommendation made in this report.

### Staffing & Trade Union

- 11.3 There are no staffing or trade union implications arising from this report.

**Background Documents:** None.

**List of ‘Standard’ reports to Audit & Governance Committee**

<b>Matter</b>	<b>Set time of year? (Y/N)</b>	<b>Set Frequency? (Y/N)</b>	<b>Comments</b>
<b>Internal Audit</b>			
Internal Audit Plan – Monitoring report	N	N	Has been quarterly, but could go to every meeting.
Internal Audit Annual report	Y	Y (Annual)	Makes sense for this to go in June after end of financial year.
Review of Effectiveness of Internal Audit	N	Y (Annual)	Legislative requirement for an annual review. Makes sense for this to go in June after end of financial year.
Internal Audit Plan – forthcoming year	Y	Y (Annual)	Makes sense for this to go in March as it relates to planned audit work in the following financial year.
Risk Management Strategy	N	N (Current strategy states ‘subject to regular review’)	Makes sense for this to go to the meeting following formal review.
<b>Financial Management</b>			
Treasury Management Strategy – forthcoming year	Y	Y	Makes sense for this to go in March as it relates the Treasury Management Strategy for the following financial year.
Treasury Management -performance report	Y	Y	Best practice is for quarterly reporting.
Draft Statement of Accounts	Y	Y	Legislative requirement for Draft Statement of Accounts to be signed off by s151 Officer by end of June.
Audited Statement of Accounts	Y	Y	Legislative requirement for Audited Statement of Accounts to be signed off by end September.
Business Rates Pooling annual report	Y	Y	Completed September/October as part of annual budget setting process.

<b>External Audit</b>			
External Audit Plan	Y	Y (Annual)	In 2012, 2013 and 2014 this report was presented to the March meeting.
Annual Audit letter	Y	Y (Annual)	For the 2012/13 audit, this was presented to the Jan 2014 meeting.
Annual Audit fee	Y	Y (Annual)	In 2012, 2013 and 2014 this was presented as part of the External Audit Plan.
KPMG ISA260 report	Y	Y (Annual)	Presented at the same meeting as the Audited Statement of Accounts.
Certification of Grants and Returns	Y	Y (Annual)	Normally reported to the March meeting.
<b>Standards/Other governance</b>			
Standards refresher	N	N	Committee need to receive updates but there is flexibility on when.
Annual Governance Statement	Y	Y	Needs to be approved at the same time as the Statement of Accounts i.e. by the end of September.
Update on Annual Governance Statement	N	N	Dependent on the number of 'Significant Governance Issues' identified in the AGS.
Annual Complaints Monitoring	N	Y	Could go any time but makes sense to align with financial year end i.e. report to June meeting.
Annual Standards report	N	Y	Could go any time but makes sense to align with financial year end i.e. report to June meeting.
Annual report of the Audit Committee	N	Y	Could go any time but makes sense to align with financial year end i.e. report to June meeting.
RIPA Annual update	N	Y	Has tended to go in November as we are usually inspected in September (triennially. Next inspection due in 2015?)

**APPENDIX 2****Suggested Frequency of Meetings/Agenda Items**

<b>Meeting Date</b>	<b>Agenda Item</b>
<b>June</b>	Internal Audit Plan – Monitoring Report
	Internal Audit Annual Report
	Review of Effectiveness of Internal Audit
	Treasury Management – Performance Report
	Draft Statement of Accounts
	Annual Complaints Monitoring
	Annual Standards Report
	Annual Report of the Audit Committee
<b>September</b>	Internal Audit Plan – Monitoring Report
	Treasury Management – Performance Report
	Audited Statement of Accounts
	External Audit ISA 260 Report
	Annual Governance Statement
<b>November</b> (Suggested revised date of 'December' meeting)	Risk Management Strategy
	Risk Management Annual Report
	Business Rates Pooling Annual Report
	Standards Refresher
	RIPA Annual Update
<b>January</b> (Suggested additional meeting date)	Internal Audit Plan – Monitoring Report
	Treasury Management – Performance Report
	External Audit Annual Audit letter
	Update on Annual Governance Statement
<b>March</b>	Internal Audit Plan – Monitoring Report
	Internal Audit Annual Plan
	Treasury Management Strategy
	Treasury Management – Performance Report
	External Audit Plan/Annual Audit Fee
	Certification of Grants and Returns