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AGENDA NO: 15

INDEPENDENT AUDIT COMMITTEE – 29 July 2020

ANNUAL REPORT 2019 - 2020

PRESENTED BY Helen Donnellan

PURPOSE OF THE REPORT

This is a summary of progress on the Independent Audit Committee (IAC) annual report, 2019-2020 and planned actions to present the report to the IAC meeting on October 29, 2020.

1. INTRODUCTION

- 1.1 CIPFA requires an IAC to produce an annual report, as set out in Appendix B and paragraphs 29 and 30 of CIPFA Practical Guidance for Local authorities and Police, 2018 edition.
- 1.2 The annual report is a review of the IAC's performance against its terms of reference and objectives. The report is prepared and approved by members of the Committee which, after consulting on its draft contents with the S151 officers is then presented to the Chief Constables and Police and Crime Commissioners. Subject to views expressed by the Chief Constables and Police and Crime Commissioners the report is then published as a public document.
- 1.3 The 2019-2020 report covers the period from April 2019 to March 2020.

2. RECOMMENDATION

- 2.1 The officers and Committee are asked to review and comment on the draft timetable for completion and publication of the annual report.

3. ACTIVITY ON THE 2019-2020 REPORT

- 3.1 All members of IAC agreed to prepare drafts of each section of the report. The aim was to present the draft at the July 29 IAC meeting. Research and writing started in the midst of the COVID-19 lockdown.
- 3.2 During members' appraisal discussions from March 2020, CIPFA Appendix D Self-assessment of good practice was reviewed and the judgements used in preparing the annual report.

- 3.3 The Alliance Senior Audit Manager, Jo George, had agreed to complete CIPFA Appendix E, Evaluating the effectiveness of the audit committee. This provides an additional and welcome view of the Committee’s work and achievements. On April 27, the Chair and Jo George discussed the process to complete Appendix E and the essential need for realism, taking into account possible delays due to additional workloads and reduced staff availability due to the COVID-19 pandemic.
- 3.4 An alternative draft schedule to allow the annual report to be ready for presentation at the October 2020 IAC meeting was agreed. This is now being followed.
- 3.5 Appendix E was submitted to the Section 151 officers on May 11 and subsequently to the Dorset Resource Board and Devon & Cornwall Resource Board. No queries were raised and Appendix E was received back for inclusion in the draft report on June 24.
- 3.6 The annual report was still in its drafting stages when the National Audit Office (NAO) published its Good Practice Guide; Guide for audit and risk committees on financial reporting and management during COVID-19 on June 24, 2020. The period of the annual report takes the NAO Good practice Guide into account

4. NEXT ACTIONS

| Action | Person | Draft dates |
|---|----------------------------------|--------------------|
| Send this summary paper for inclusion with IAC meeting papers | Chair & vice-Chair; Helen Morgan | 3 July 2020 |
| Complete the review and updated report draft 2 | Chair and vice-Chair | 20 July 2020 |
| Circulate report draft 2 + Appendices D & E to IAC members for their review | Chair | 20 July 2020 |
| Informal IAC members meeting to discuss, amend and agree report draft 3 (hopefully using Teams) | All IAC members | 24 or 30 July 2020 |
| Submit report draft 3, along with CIPFA Appendices D and E to s151 officers | Chair | 3 August 2020 |
| Comments from s 151s to Chair and IAC | S 151 officers | 24 August 2020 |
| IAC members to review comments and amend report if necessary | IAC members | 1 September 2020 |
| Submit agreed IAC report, CIPFA Appendices D and E as paper for October IAC meeting | Chair | 1 October 2020 |
| Share report with the CCs and PCCs (it is a | Helen Morgan | 1 October 2020 |

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| report for them) | | |
| Include IAC report and Appendices in 2020 induction pack | Yvonne Fenwick | 1 October 2020 |
| Report to be published on PCC websites following receipt of views from CCs and PCCs | PCC admin | 9 November 2020 |

The dates need to reflect demands on officer and IAC members' time during this period. Known dates for meetings, IAC recruitment, accounts and audit schedules, the additional IAC meeting in September have been considered. Staff may be affected by further outbreaks of COVID-19 leading to increased absence. In addition, staff and IAC members may have leave, personal and family and other commitments during this time.

Please note that the dates are draft dates.

Helen Donnellan and Tom Grainger
IAC Chair and vice Chair

July 1, 2020