

Full Council

8th September 2020



Report of: Chair of the Audit Committee

Title: Audit Committee Annual Report 2019/20

Ward: City Wide

Member Presenting Report: Councillor Brain, Chair of Audit Committee

Recommendation

The Council notes the report of the Audit Committee and the Committee's concerns that internal control arrangements at the Council are not yet as robust as they should be. The Committee will continue to monitor and support improvement required during 2020/21.

Summary

The Committee's Terms of Reference include a requirement to provide full Council with an Annual Report summarising its conclusions from the work it has undertaken during the year. The report is provided at Appendix A.

The significant issues in the report are:

- a) The work of the Committee and conclusions drawn (sections 4 and 7 of Appendix A)
- b) Key priorities for enhancing the Committee's effectiveness and contribution to improvement of the control framework going forward (section 6 of Appendix A)



Policy

1. The Audit Committee's terms of reference are determined by Full Council. The City Council has a duty to ensure adequate and effective risk management, internal control and governance arrangements and the economy, efficiency and effectiveness of its activities. The Audit Committee has a key role in assessing the extent to which this responsibility is being met and advising the Council on the adequacy and effectiveness of these arrangements.

Consultation

2. **Internal**
Audit Committee Members including independent members
Internal Audit
3. **External**
Not Applicable

Context

4. The Audit Committee was established by the City Council at its meeting on 16th May 2006. Whilst there is no statutory obligation to have such a Committee, they are widely recognised as a core component of effective governance.

Proposal

5. Full Council note the report of the Audit Committee and the Committee's concerns that internal control arrangements are not yet consistently as robust as they should be. The Committee will continue to monitor and support improvements required during 2020/21.

Other Options Considered

6. Not Applicable

Risk Assessment

7. The work of the Audit Committee mitigates against any failure by the Council to obtain independent assurance in relation to the governance processes underpinning :
 - an effective risk management framework and internal control environment
 - the effectiveness of financial and non-financial performance (to the extent it affects exposure to risk and poor internal control)
 - the Annual Governance Statement, and
 - the review and approval of the annual statement of accounts.

Summary of Equalities Impact of the Proposed Decision

No equality impact is anticipated from this report. The report provides details of the Audit Committee's work and their conclusions in respect of control and governance processes.

Legal and Resource Implications

Legal – N/A

Financial – N/A

Land – N/A

Personnel – N/A

Appendices:

Appendix A – Audit Committee Annual Report 2019/20

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

Audit Committee papers throughout 2019/20.