

AUDIT COMMITTEE	AGENDA ITEM No. 9
26 MARCH 2012	PUBLIC REPORT

Cabinet Member(s) responsible:	Councillor Seaton, Cabinet Member for Resources	
Committee Member(s) responsible:	Councillor Lamb, Chair of Audit Committee	
Contact Officer(s):	Steve Crabtree, Chief Internal Auditor	☎ 384 557

DRAFT ANNUAL AUDIT COMMITTEE REPORT

R E C O M M E N D A T I O N S	
FROM : John Harrison, Executive Director (Strategic Resources)	Deadline date : N/A
<p>1. Audit Committee are asked to approve the Annual Audit Committee Report as shown in Appendix 1.</p>	

1. ORIGIN OF REPORT

This report is submitted to Audit Committee in line with the agreed Work Programme for the Municipal Year 2011 / 2012.

2. PURPOSE AND REASON FOR REPORT

The Audit Committee has been in operation since Annual Council in May 2006 (first meeting June 2006). The Committee has a wide ranging remit that underpins the Council's governance processes by providing independent challenge and assurance of the adequacy of risk management, internal control including internal audit, anti-fraud and the financial reporting framework. These are shown in its terms of reference.

Best practice recommended by relevant professional bodies is that audit committees should produce an annual report which details the work of the committee for the Municipal Year, and sets out its plans for the future building on the lessons learnt.

This report is for Committee to consider under its Terms of Reference:

- *2.2.17 To consider the Councils arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.*

3. TIMESCALE

Is this a Major Policy Item / Statutory Plan?	NO	If Yes, date for relevant Cabinet Meeting	N/A
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4. DRAFT ANNUAL REPORT

- 4.1 Audit Committee members have been issued with an Audit Committee Handbook which identifies all the key activities and work delivered through the committee. Best practice within this publication establishes a need to highlight to a wider audience the works undertaken by the committee and to enhance its profile across the organisation.

4.2 In consultation with the Chair of Audit Committee, the Draft Annual Report has been produced (**Appendix 1**). The report shows:

- Background to the committee, its roles, responsibilities and membership;
- Its key achievements during the year;
- An overview and coverage of its remit including Internal Audit, Accounts and Financial Management, External Audit, Risk Management, Control Assurance, Corporate Governance, and Fraud and Irregularities; and
- Training provided to ensure that suitable challenge and scrutiny is adopted.

5. CONSULTATION

The report has been produced by the Chair of the Committee and in consultation with the Chief Internal Auditor and the Head of Corporate Services.

6. ANTICIPATED OUTCOMES

Publication of the report will enable the public to gain an insight into the role of the Committee and will ensure that the Committee can continue to progress and develop in the future. The City Council continues to evolve its Audit Committee in line with best practice to provide effective challenge to the governance arrangements adopted.

7. REASONS FOR RECOMMENDATIONS

To seek endorsement from Members that the Committee is delivering against its terms of reference and provided effective challenge to the organisation.

8. ALTERNATIVE OPTIONS CONSIDERED

None required at this stage.

9. IMPLICATIONS

This report contains no specific financial implications.

10. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

None

11. APPENDICES

- Appendix 1 – Chairman's Annual Report