
REVIEW OF THE EFFECTIVENESS OF THE GOVERNANCE AND AUDIT COMMITTEE AND ANNUAL REPORT

To: **Governance and Audit Committee – 21 March 2013**

By: **Chair of the Governance and Audit Committee**

Classification: **Unrestricted**

Summary: **The annual report summarises the achievements of the Governance and Audit Committee against its terms of reference for the period 1 April 2012 to 31 March 2013 and details the impact that it has made on the overall system of internal control in operation for that period.**

For Decision

1.0 Introduction

- 1.1 The purpose of the council's Governance and Audit Committee is to provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent review of the authority's financial and non financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment, and to oversee the financial reporting process.
- 1.2 To comply with best practice the Committee determined that it would consider annually whether it meets its terms of reference and how it has impacted on the internal control environment. The purpose of this report is to consider the self assessment that has been undertaken and summarise any improvement opportunities for the forthcoming year.

2.0 Background

- 2.1 A meeting was held with the Chairman, Councillor John Worrow; the Vice Chairman, Councillor Rosalind Binks; the Deputy Head of Audit Partnership, Simon Webb and the Business Support and Compliance Manager, Nikki Morris to review the Committees terms of reference to specifically evidence how the Committee achieved against them and prepare the annual report which will go forward to Council.
- 2.2 The annual report attached at Annex 1 summarises the work of the Committee for the year and concludes that it has received clear, concise and relevant information, regular training events on topics specific to the business of the Committee, and has done all that it can to meet the aims and objectives for the Committee in the best way that it can.

3.0 Options

- 3.1 That Members agree the content of the annual report and the recommended actions within the action plan, and recommend that the annual report be forwarded to Full Council (16 May 2013).
- 3.2 That Members do not agree the content of the annual report and the recommended actions within the action plan, and do not recommend that the annual report be forwarded to Full Council (16 May 2013).

4.0 Corporate Implications

4.1 Financial

- 4.1.1 There are no financial implications arising directly from this report.

4.2 Legal

4.2.1 The Council is meeting best practice by having in place an audit committee, as this is not a mandatory or statutory function. In adopting the CIPFA guidance for the terms of reference for the Committee the Council is meeting the standards set out for the public sector.

4.3 Corporate

4.3.1 Under the Local Code of Corporate Governance accepted by Governance and Audit Committee on the 11 December 2012, the Council is committed to comply with requirements for the independent review of the financial and operational reporting processes, through the external audit and inspection processes, and satisfactory arrangements for internal audit. The functions of the Governance and Audit Committee contribute to the overall internal control environment for the Council and feed into the Annual Governance Statement process.

4.4 Equity and Equalities

4.4.1 There are no equity or equalities issues arising from this report.

4.5 Risks

4.5.1 Failure to undertake this process will negate the council's approach to corporate governance.

5.0 Recommendation(s)

5.1 That Members agree the content of this report and the recommended actions within the action plan, and that Members recommend that the Annual Report be forwarded to Full Council.

6.0 Decision Making Process

6.1 This recommendation does not involve the making of a key decision and may be taken by the Governance and Audit Committee.

Future Meeting if applicable: Council	Date: 16 May 2013
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Annex List

Annex 1	Governance and Audit Committee Annual Report 2012/13
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Background Papers

Title	Details of where to access copy
Governance and Audit Committee papers	Formal meetings agenda and minutes held electronically on the Council's website

Corporate Consultation Undertaken

Monitoring Officer	Harvey Patterson, Corporate and Regulatory Services Manager
Finance	Sarah Martin, Financial Services Manager
Legal	Gary Cordes, Legal Services Manager
Communications	Justine Wingate, Corporate Information and Communications Manager