

ANNUAL REPORT OF THE AUDIT COMMITTEE 2020/2021

Reporting Officer: Head of Democratic Services

INTRODUCTION

In line with good governance, it is essential that the Audit Committee not only meets and considers the reports and information within its remit, but also ensures that the wider Council is aware of the breadth and extent of the work it does on its behalf. The annual report of the Audit Committee 2020/21 contains information to be presented to Council, so that it can be assured that the Audit Committee is acting appropriately on its behalf.

The annual report also provides an opportunity for Council Members to review the work of the Audit Committee and comment on its contribution and performance. The terms of reference of the Committee are detailed in the report.

RECOMMENDATION: That the annual report of the Audit Committee 2020/21, attached at Appendix A, be noted.

SUPPORTING INFORMATION

This report summarises, for the Council, the work of the Audit Committee during 2020/21 and how it has undertaken its responsibilities for reviewing the key areas within its remit. Specifically, these include:

- Internal Audit (including internal controls);
- Risk Management;
- Corporate Governance;
- External Audit;
- Counter Fraud; and
- Financial reporting process of the Statement of Accounts.

MEMBERSHIP

The Committee membership is shown below. They have a wide range of skills and bring both technical and professional experience to the role.

- Mr. John Chesshire - Independent Chairman - Appointed 2 November 2017;
- Cllr Duncan Flynn - Vice Chairman
- Cllr John Morgan
- Cllr Tony Eginton
- Cllr Raymond Graham

The current Independent Chairman has approximately 20 years' experience in the public and private sector working in the internal audit, risk management, business improvement and governance fields.

ACTIVITIES

During the course of meetings Members are briefed on relevant issues in relation to local government accounts, External Audit, Internal Audit, Use of Resources, Anti-Fraud arrangements, and Risk Management.

The role delegated by the Council to the Audit Committee is to provide independent assurance over the governance, risk management and the system of internal control in operation at the Council. The Audit Committee has fulfilled this role by undertaking the key activities including:

- Oversight of Internal Audit
- Oversight of External Audit
- Prevention and Detection of Fraud and Corruption
- Risk Management
- Approval of Financial Accounts
- Corporate Governance

Further information about these key activities are detailed in the report.

In line with best practice, an independent review of the Committee's effectiveness has been conducted by Internal Audit. This review provided 'reasonable' assurance that the Committee is operating effectively.

The Audit Committee considers that it has continued to make a significant contribution to ensuring that the key elements of the governance framework are given proper consideration and are appropriately challenged. It will continue to develop this role and contribute to strengthen internal control, risk management and governance throughout the authority.

Accordingly, in compliance with the Accounts and Audit (Amendment) Regulations 2021, the Audit Committee has reviewed the effectiveness of the systems of internal control by receiving regular reports from these areas above that contribute to the control framework.

BACKGROUND PAPERS: None.