

Audit & Governance Committee

Date of Meeting: 31 July 2018

Report Title: Audit and Governance Committee Annual Report 2017/18

Senior Officer: Kath O'Dwyer, Acting Chief Executive.

1. Report Summary

- 1.1. The purpose of this report is for the Committee to consider the draft version of the Annual Report of the Audit and Governance Committee 2017/18 and agree the final version of the report that will go to Council on 18th October 2018.
- 1.2. Producing an annual report on the work of the Committee ensures compliance with best practice requirements and provides assurance to wider stakeholders on the continuing improvements of the Council's governance arrangements.

2. Recommendation

- 2.1. That the Committee considers the draft report 2017/18 at Appendix A and agrees the final version which will be presented to Council later this year.

3. Reasons for Recommendation

- 3.1. To report in line with the requirements of the Council's Constitution and the Audit and Governance Committee's Terms of Reference, which require a report to full Council on a regular basis.
- 3.2. The report should cover the performance of the Committee in relation to its Terms of Reference, and the effectiveness of the Committee in meeting its purpose.

4. Other Options Considered

- 4.1. Not applicable.

5. Background

- 5.1. Current CIPFA guidance, *Audit Committees, Practical Guidance for Local Authorities and Police* (2013) states that audit committees should report regularly on their work and at least annually report an assessment of their performance. Aspects to consider include:
- whether the committee has fulfilled its agreed terms of reference
 - whether the committee has adopted recommended practice
 - whether the development needs of committee members have been assessed and whether committee members are accessing briefing and training opportunities
 - whether the committee has assessed its own effectiveness or been the subject of a review and the conclusions and actions from that review
 - what impact the committee has on the improvement of governance, risk and control within the authority.
- 5.2. The requirement to submit an annual report is included within Cheshire East Council's Constitution.
- 5.3. The CIPFA guidance has recently been updated. An exercise to review the existing Terms of Reference against the new guidance will be undertaken and reported back to the Committee later in the year.

6. Implications of the Recommendations

6.1. Legal Implications

- 6.1.1. The Council's Constitution gives responsibility to the Audit and Governance Committee for overseeing the Council's roles and responsibilities in respect of Corporate Governance and Audit and specifically for submitting an annual report to Council. Production of the report ensures compliance with this requirement.

6.2. Finance Implications

- 6.2.1. The annual report of the Audit and Governance Committee outlines the assurances received by the Committee on the adequacy of the Council's governance arrangements, including the integrity of financial reporting processes.

6.3. Policy Implications

6.3.1. The production of the annual report and its presentation to Council ensures compliance with the CIPFA best practice guidance.

6.4. Equality Implications

6.4.1. There are no equality implications for this report.

6.5. Human Resources Implications

6.5.1. There are no direct human resource implications for this report.

6.6. Risk Management Implications

6.6.1. The annual report of the Audit and Governance Committee outlines the assurances received by the Committee on various aspects of the Council's governance arrangements, including the adequacy of the risk management framework.

6.7. Rural Communities Implications

6.7.1. There are no direct implications for rural communities.

6.8. Implications for Children & Young People

6.8.1. There are no direct implications for children and young people.

6.9. Public Health Implications

6.9.1. There are no direct implications for public health.

7. Ward Members Affected

7.1. The work of the Audit and Governance Committee is not restricted geographically therefore all ward members are affected.

8. Access to Information

8.1. The draft annual report of the Audit and Governance Committee 2017/18 is attached as Appendix A to this report.

9. Contact Information

9.1. Any questions relating to this report should be directed to the following officer:

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