

Audit & Governance Committee

Date of Meeting: 03 October 2019

Report Title: Annual Report of the Audit and Governance Committee 2018/19

Senior Officer: Jan Bakewell, Director of Governance and Compliance

1. Report Summary

- 1.1. The purpose of this report is for the Committee to agree the Audit and Governance Committee's Annual Report 2018/19 that will go to Council on 17th October 2019.
- 1.2. The Committee received a draft version at the meeting on 30th July 2019 and Members asked for further time to consider the draft. No further feedback has been received, therefore the version presented in Appendix A is unchanged.
- 1.3. 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 for 2018/19 at Appendix A and agrees it as 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 2018 Edition* 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 recommended by the CIPFA guidance and included within Cheshire East Council's Constitution.

5.3. Following the release of the updated CIPFA guidance in 2018, an exercise was undertaken to review and update the Committee's terms of reference. Council agreed the Committee's updated Terms of Reference in December 2018.

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/Cared for Children

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.

6.10. Climate Change Implications

6.10.1. There are no direct implications for Climate Change.

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 2018/19 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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