

AUDIT COMMITTEE

22nd August, 2012

Audit Committee

Members Present: Councillor Bains (Deputy Chair)
Councillor Blundell
Councillor Chater (Chair)
Councillor T Khan
Councillor Skipper
Councillor Welsh

Employees Present: S. Bennett (Customer and Workforce Services Directorate)
G. Holmes (Chief Executive's Directorate)
L. Commane (Finance and Legal Services Directorate)
S. Mangan (Finance and Legal Services Directorate)

RECOMMENDATION

17. Annual Audit Committee Report 2011/12

The Committee considered the Audit Committee's Annual Report, which was to be submitted to the City Council at their meeting on 18th September, 2012.

The report provided an overview of the Audit Committee's activity during 2011-12, including progress in terms of discharging its responsibilities to provide independent assurance on the adequacy of the Council's risk management framework and the associated control environment, and in providing robust scrutiny and challenge of the Council's financial performance.

The report detailed all routine reports considered by the Committee, based around the clearly defined expectations of the services and functions that report to the Committee, for example internal and external audit and financial management, together with all the ad hoc reports considered, which focused on either a specific concern raised by the Committee or developments that impact directly on the Committee.

The report indicated that the Council had made significant enhancements to its Audit Committee over the past few years and that areas still for development included ensuring that all Members of the Committee are provided with appropriate training to allow them to discharge their responsibilities and keeping abreast of national developments and the potential impact that these may have on the operation of the Committee.

In 2012-13, the Committee's initial focus will be on ensuring that effective action is taken in response to areas for improvement highlighted in the Annual Governance Statement for 2011-12. In addition, given the continued financial pressures facing the Council, the importance of an effective Audit Committee remained critical. The following planned changes over the next year would be a specific focus of the

Committee to ensure that they do not have a detrimental impact on the effectiveness of the Council's governance arrangements:-

- The implementation of the Council's new finance system
- The appointment of the Council's new external auditors, Grant Thornton
- The creation of the Single Fraud Investigation Service from the point of view of ensuring that this does not impact on the overall fraud arrangements within the Council.

The Chair, Councillor Chater, thanked officers for the work undertaken in compiling the report.

RECOMMENDED that the Council consider the Audit Committee Annual Report 2011/12 and note the priorities for 2012/13, as detailed in paragraph 1.4 of the report.