

STROUD DISTRICT COUNCIL
COUNCIL

AGENDA
ITEM NO

16 MAY 2019

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Audit and Standards Committee, 7 May 2019 – Agenda Item 8

Report Title	AUDIT AND STANDARDS COMMITTEE ANNUAL REPORT 2018/19
Purpose of Report	<p>The Annual Report summarises the activities of the Audit and Standards Committee during 2018/19 and sets out its plans for the next twelve months.</p> <p>This report provides Council with an independent assurance that the Council has in place adequate and effective governance, risk management and internal control frameworks; internal and external audit functions and financial reporting arrangements that can be relied upon and which contribute to the high corporate governance standards that this Council expects and maintains.</p>
Decision(s)	<p>That the Audit and Standards Committee:</p> <ul style="list-style-type: none">a) RESOLVE to agree the Audit and Standards Committee Annual Report 2018/19; andb) RECOMMEND to Council the Annual report is approved.
Consultation and Feedback	<p>All Members of the Audit and Standards Committee have been consulted on the report content.</p>
Financial Implications and Risk Assessment	<p>There are no financial implications from this report.</p> <p>Andrew Cummings – Head of Finance & S151 Officer Tel: 01453 754115 Email: andrew.cummings@stroud.gov.uk</p> <p>Risk Assessment:</p> <p>Audit committees are a key component of an authority's governance framework.</p> <p>The Audit and Standards Committee's Annual Report is part of the overall internal control arrangements and risk management process. By examining and evaluating objectively the adequacy of the control environment through the reports it receives the Committee can, in turn, provide</p>

	assurances to Council on its governance, risk management and internal control frameworks; internal and external audit functions and financial reporting arrangements that inform the Annual Governance Statement.
Legal Implications	There are no specific legal implications arising from this report. Patrick Arran, Interim Head of Legal Services and Monitoring Officer Tel: 01453 754369 Email: patrick.arran@stroud.gov.uk
Report Author	Theresa Mortimer, Head of Audit Risk Assurance Tel: 01453 754319 Email: theresa.mortimer@stroud.gov.uk
Chair of Committee	Councillor Nigel Studdert-Kennedy Chair of Audit and Standards Committee Tel: 01453 821491 Email: cllr.nigel.studdert-kennedy@stroud.gov.uk
Options	Consideration has been given to not producing an Annual Report however this has been discounted because recommended practice from both the public and private sectors indicates that an audit committee should report directly to the governing body of the organisation. In the case of a local authority, the full Council.
Performance Management Follow Up	In accordance with recommended practice the Audit and Standards Committee will continue to present an Annual Report to Council.
Background Papers/ Appendices	Appendix A – Audit and Standards Committee Annual Report 2018/2019. Relevant public reports presented to the Audit and Standards Committee during 2018/2019 and minutes of those meetings can be found at https://www.stroud.gov.uk/council/meetings/audit-standards-committee .

1.0 Background

- 1.1 Stroud District Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. In discharging this overall responsibility, the Council is responsible for putting in place the proper arrangements for the governance of its affairs.
- 1.2 A sound corporate governance framework involves accountability to service users, stakeholders and the wider community, within which the Council takes

decisions and leads and controls its functions to achieve stated objectives and priorities. It thereby provides an opportunity to demonstrate the positive elements of the Council's business and to promote public confidence.

- 1.3 Audit Committees are widely recognised as a core component of effective governance. Their key role is independently overseeing and assessing the internal control environment, comprising governance, risk management and control and advising the Council on the adequacy and effectiveness of these arrangements.
- 1.4 In response to the above, the Audit and Standards Committee was established in September 2009 in line with guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). This guidance recommends that audit committees should prepare an annual report to the full Council, which sets out the Committee's work on how they have discharged their responsibilities.
- 1.5 The Annual Report attached at **Appendix A** details the work and achievements of the Audit and Standards Committee during 2018/19 and sets out its plans for the next twelve months.