

STROUD DISTRICT COUNCIL
AUDIT AND STANDARDS COMMITTEE

**AGENDA
ITEM NO**

27 APRIL 2021

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Report Title	AUDIT AND STANDARDS COMMITTEE ANNUAL REPORT 2020/21
Purpose of Report	<p>The Chartered Institute of Public Finance Accountants (CIPFA) 'Practical Guidance for Local Authorities and Police – 2018 Edition' includes a position statement which states that audit committees should:</p> <p>'report regularly on its work to those charged with governance [Full Council], and at least annually report an assessment of their performance. An annual public report should demonstrate how the committee has discharged its responsibilities'.</p> <p>This Annual Report fulfils the above requirement.</p> <p>The Annual Report summarises the activities of the Audit and Standards Committee during 2020/21 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 Committee:</p> <p style="text-align: center;">a) RESOLVES to agree the Audit and Standards Committee Annual Report 2020/21; and</p> <p style="text-align: center;">b) RECOMMENDS to Council that the Annual Report 2020/21 be approved.</p>
Consultation and Feedback	All Members of the Audit and Standards Committee have been consulted on the report content.
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Options	Consideration has been given to not producing an Annual Report however this has been discounted due to the requirement stated above.			
Background Papers	Relevant public reports presented to the Audit and Standards Committee during 2020/21 and minutes of those meetings can be found via the following link: https://www.stroud.gov.uk/council/meetings/audit-standards-committee			
Appendices	Appendix A – Audit and Standards Committee Annual Report 2020/21			
Implications (details at the end of the report)	Financial	Legal	Equality	Environmental
	No	No	No	No

1.0 INTRODUCTION/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.

2.0 MAIN POINTS

- 2.1 The Committee undertakes a substantial range of activities and works closely with the Chief Financial Officer (Section 151 Officer) and both Internal and External Auditors, in achieving the Council's aims and objectives. The Committee has developed and implemented a work plan for the year to enable key tasks to be considered, undertaken and delivered. To summarise, through the work plan the Committee has:
- Provided independent assurance on the adequacy of the governance, risk management framework and associated control environment;

- Provided independent scrutiny of the Council's financial and non financial performance to the extent that it affects the Council's exposure to risk and weakens the control environment; and
- Overseen the statutory financial reporting process.

3.0 CONCLUSION

- 3.1 The Audit and Standards Committee has had a successful year in providing the Council with assurances on the strength of its governance and stewardship arrangements and in challenging those arrangements.
- 3.2 The Committee's work programme is a dynamic programme and will continue to be reviewed to ensure the Committee maximises its contribution to the governance and control framework at the same time managing agendas to ensure that all meetings are focused on the key issues.

4.0 IMPLICATIONS

4.1 Financial Implications

There are no financial implications arising directly from this report.

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Risk Assessment:

Failure to deliver effective governance will negatively impact on the achievement of the Council's objectives and priorities.

4.2 Legal Implications

There are no specific legal implications arising from this report.

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4.3 Equality Implications

There are no equality implications as a result of the recommendations made within this report.

4.4 Environmental Implications

There are no environmental implications as a result of the recommendations made within this report.