

## ITEM NO: 7

<b>DECISION-MAKER:</b>	AUDIT COMMITTEE STANDARDS AND GOVERNANCE COMMITTEE		
<b>SUBJECT:</b>	CHAIR'S ANNUAL REPORT ON AUDIT COMMITTEE 2008/09		
<b>DATE OF DECISION:</b>	24 JUNE 2009 AUDIT COMMITTEE 25 JUNE STANDARDS AND GOVERNANCE COMMITTEE		
<b>REPORT OF:</b>	CHAIR OF THE AUDIT COMMITTEE 2008/09		
<b>AUTHOR:</b>	Name:	Councillor Michael Ball	Tel: 023 8027 1788
	E-mail:	Councillor.m.ball@southampton.gov.uk	

### STATEMENT OF CONFIDENTIALITY

None

### SUMMARY

The annual report for the year 2008/09 from the Chair of the Audit Committee is attached for consideration by the Committee.

### RECOMMENDATIONS:

#### AUDIT COMMITTEE

- (i) That the Audit Committee considers and comments on the Chair's Annual Report attached at Appendix 1.

#### STANDARDS AND GOVERNANCE COMMITTEE

- (ii) That the Standards and Governance Committee considers and comments on the Audit Committee Chair's Annual Report attached at Appendix 1.

### REASONS FOR REPORT RECOMMENDATIONS

1. The Audit Committee forms part of the overall Corporate Governance process. The key role of the Committee is to provide independent assurance to the Standards and Governance Committee on the adequacy of the Council's risk management framework and the internal control and reporting environment. Therefore, presentation of an Annual Report to the Standards and Governance Committee by the 2008/09 Chair is in line with good practice and is also consistent with recommendations made by the Chartered Institute of Public Finance and Accountancy (CIPFA) in its publication 'Toolkit for Local Authority Audit Committees'.

## **CONSULTATION**

2. Consultation has taken place with relevant Council officers, including the Executive Director of Resources, Chief Internal Auditor and Solicitor to the Council.

## **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

3. None

## **DETAIL**

4. A self assessment against CIPFA's 'Toolkit for Local Authority Audit Committees', which recommends that Audit Committees periodically review their own effectiveness in discharging their responsibilities, was carried out by the former Chair of the Committee, with support from the Executive Director of Resources and the Chief Internal Auditor, in February 2008.
5. One of the actions agreed as a result of this self-assessment was that an Annual Report on the Committee's work should be presented to the Standards and Governance Committee. This is the second Annual Report.

## **FINANCIAL/RESOURCE IMPLICATIONS**

### **Capital**

5. None

### **Revenue**

6. None

### **Property**

7. None

### **Other**

8. None

## **LEGAL IMPLICATIONS**

### **Statutory power to undertake proposals in the report:**

9. The Accounts and Audit (Amendment) (England) regulations 2006 require the Council 'to maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control.

### **Other Legal Implications:**

10. None

## **POLICY FRAMEWORK IMPLICATIONS**

11. None

## SUPPORTING DOCUMENTATION

### Appendices

1.	Audit Committee – Annual Report 2008/09
----	---

### Documents In Members' Rooms

	None
--	------

### Background Documents

Title of Background Paper(s)

Relevant Paragraph of the  
Access to Information  
Procedure Rules / Schedule  
12A allowing document to be  
Exempt/Confidential (if  
applicable)

	None	
--	------	--

**Background documents available for inspection at:** N/A

**FORWARD PLAN No:** N/A

**KEY DECISION?**

N/A

<b>WARDS/COMMUNITIES AFFECTED:</b>	None
------------------------------------	------