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| <b>DECISION-MAKER:</b>              | AUDIT COMMITTEE<br>STANDARDS AND GOVERNANCE COMMITTEE                                  |
| <b>SUBJECT:</b>                     | CHAIR'S ANNUAL REPORT ON AUDIT COMMITTEE<br>2010/11                                    |
| <b>DATE OF DECISION:</b>            | 23 JUNE 2011 – AUDIT COMMITTEE<br>27 JUNE 2011 – STANDARDS AND GOVERNANCE<br>COMMITTEE |
| <b>REPORT OF:</b>                   | CHIEF INTERNAL AUDITOR   |
| <b>STATEMENT OF CONFIDENTIALITY</b> |  |
| None                                |  |

### **BRIEF SUMMARY**

The annual report for the year 2010/11 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 2010/11 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'
2. None

### **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

#### **DETAIL (Including consultation carried out)**

3. 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 formerly carried out. 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.

## RESOURCE IMPLICATIONS

### Capital/Revenue

4. None

### Property/Other

5. None

## LEGAL IMPLICATIONS

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

6. The Accounts and Audit (England) Regulations 2011 state 'a relevant body must undertake an adequate and effective 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:

7. None

## POLICY FRAMEWORK IMPLICATIONS

8. None

|                |         |                                |      |               |
|----------------|---------|--------------------------------|------|---------------|
| <b>AUTHOR:</b> | Name:   | Neil Pitman                    | Tel: | 023 8083 4616 |
|                | E-mail: | Neil.pitman@southampton.gov.uk |      |               |

**KEY DECISION?** Yes/No No

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

## SUPPORTING DOCUMENTATION

**Non-confidential appendices are in the Members' Rooms and can be accessed on-line**

### **Appendices**

|    |   |
|----|---|
| 1. | Audit Committee – Annual Report 2010/11 |
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### **Documents In Members' Rooms**

|    |      |
|----|------|
| 1. | None |
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### **Integrated Impact Assessment**

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| Do the implications/subject of the report require an Integrated Impact Assessment (IIA) to be carried out. | No |
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### **Other Background Documents**

**Integrated Impact Assessment and Other Background documents available for inspection at:**

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

|    |      |
|----|------|
| 1. | None |
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