

**Audit, Governance & Standards****26 June 2017**

Is the final decision on the recommendations in this report to be made at this meeting?

**Yes****Audit, Governance & Standards Committee – Annual Report 2016/17**

<b>Final Decision-Maker</b>	Audit, Governance & Standards Committee
<b>Lead Head of Service</b>	Rich Clarke – Head of Audit Partnership
<b>Lead Officer and Report Author</b>	Alison Blake – Audit Manager
<b>Classification</b>	Public
<b>Wards affected</b>	N/A

**This report makes the following recommendations to this Committee:**

1. That the Committee **agree** the Audit, Governance & Standards Committee Annual Report for 2016/17.
2. That the Chairman of the Audit, Governance & Standards Committee provides the report to a meeting of the full Council to demonstrate how the Committee has discharged its duties.
3. That the Committee, subject to any comment or amendment, **agrees** the briefing session timetable proposed in Appendix A.

**This report relates to the following corporate priorities:**

- Keeping Maidstone Borough an attractive place for all
- Securing a successful economy for Maidstone Borough

The Audit, Governance & Standards Committee must obtain assurance on the control environment of the Council. The internal control environment comprises the whole network of systems and controls established to manage the Council and meet its objectives. It includes financial and other controls, and arrangements for ensuring the Council achieves value for money from its activities.

**Timetable**

<b>Meeting</b>	<b>Date</b>
Audit, Governance & Standards Committee	26 June 2017

## **1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY**

- 1.1 The report outlines how the Audit, Governance & Standards Committee has effectively discharged its duties during 2016/17. The report provides assurance to the Council that important internal control, governance and risk management issues are being monitored and addressed by the Committee. The report seeks to provide additional assurance to support the Annual Governance Statement.
  - 1.2 This report also proposes the timetable of Member briefings that will, over the course of the next year, complement the Committee as it seeks to fulfil its responsibilities through 2017/18.
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## **2. INTRODUCTION AND BACKGROUND**

- 2.1 The Audit, Governance & Standards Committee is required to monitor audit activity (internal and external), review and comment on the effectiveness of the Council's regulatory framework and review and approve the Council's annual statements of accounts and scrutinise associated strategy and policy. This reports sets out how this has been achieved during 2016/17.
  - 2.2 This is the second year that the Committee is reporting its activity as the Audit, Governance & Standards Committee, since updating its Terms of Reference in 2014/15.
  - 2.3 In September 2015 the Committee agreed a programme of development briefings designed to complement and provide insight into the types of issues the Committee would be considering over the course of the year. Throughout 2016/17 a number of briefings were provided, as outlined in Appendix A. This report proposes briefings for 2017/18 and includes a suggested timetable for the Committee to agree.
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## **3. AVAILABLE OPTIONS**

- 3.1 The production and presentation of an annual report is required by the Committee's terms of reference. Therefore no other alternative options can be recommended.

3.2 The Committee has previously requested and agreed to receive regular updates and briefings on pertinent issues relevant to the Committee's terms of reference. This report provides an updated programme and therefore proposes no alternative option.

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#### **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

4.1 This report provides the Council with assurance that important governance, risk and standards issues are monitored and addressed.

4.2 Our recommendation is for the Committee to agree the Audit, Governance & Standards Committee Annual Report, subject to any comments and amendments as attached in Appendix A. In accordance with the Terms of Reference, that the Chairman of the Audit, Governance & Standards Committee then provides the report to a meeting of full Council setting out how the committee has discharged its duties.

4.3 The Audit, Governance and Standards Committee has previously requested and agreed a programme of updates and this report continues to support this request.

#### **5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

5.1 We provided this report to the Chairman of the Audit, Governance & Standards Committee for consultation prior to submission for this meeting.

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#### **6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

6.1 The report will be presented to Full Council in accordance with this Committee's Terms of Reference.

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#### **7. CROSS-CUTTING ISSUES AND IMPLICATIONS**

<b>Issue</b>	<b>Implications</b>	<b>Sign-off</b>
<b>Impact on Corporate Priorities</b>	The report supports the good governance, internal control and risk management of Maidstone Borough Council and so contributes broadly to achievement of its corporate priorities.	Alison Blake
<b>Risk Management</b>	The report introduces no risks that require separate description in the Council's risk registers, nor materially impacts any currently described.	Audit Manager

<b>Issue</b>	<b>Implications</b>	<b>Sign-off</b>
<b>Financial</b>	There are no additional costs or savings associated with this proposal.	
<b>Staffing</b>	There are no staffing implications associated with this proposal.	
<b>Legal</b>	There are no legal or statutory implications with this proposal.	
<b>Equality Impact Needs Assessment</b>	This report does not describe circumstances which require an Equality Impact Needs Assessment.	
<b>Environmental/ Sustainable Development</b>	There are no environmental or sustainable development implications for this report.	
<b>Community Safety</b>	There are no community safety implications for this report.	
<b>Human Rights Act</b>	There are no implications for the Council's responsibilities under the Human Rights Act in this report.	
<b>Procurement</b>	There are no procurement implications for this report.	
<b>Asset Management</b>	There are no asset management implications for this report.	

## **8. REPORT APPENDICES**

The following documents are to be published with this report and form part of the report:

- Appendix A: Audit, Governance & Standards Annual Report 2016/17

## **9. BACKGROUND PAPERS**

None