

MAIDSTONE BOROUGH COUNCIL

AUDIT COMMITTEE

15th JULY 2013

REPORT OF HEAD OF AUDIT PARTNERSHIP

Report prepared by Jennifer Daughtry

1. Audit Committee – Annual Report 2012/13

1.1 Issue for Decision

1.1.1 A report has been prepared which sets out how the Audit Committee has discharged its duties during 2012/13. The report provides assurance to the Council that important governance issues are being monitored and addressed by the Committee. The report provides further assurance to support the findings of the Annual Governance Statement.

1.2 Recommendation of the Head of Audit Partnership

1.2.1 That the Audit Committee agrees the content of the annual report as attached at Appendix A.

1.2.2 That the Chairman of the Audit Committee provides the report to a meeting of the Full Council to demonstrate how the Audit Committee has discharged its duties.

1.3 Reasons for Recommendation

1.3.1 The Audit Committee agreed in 2011 that the Committee should produce an annual report of its activities and effectiveness; and that the report should be provided by the Chairman to a meeting of the full Council. The report would provide assurance to the Council that the responsibilities of the Committee are being met. The first Annual Report was produced in 2012.

1.3.2 The Audit Committee is required to obtain assurance on the control environment and the report sets out how this has been achieved.

1.3.3 The report of the Audit Committee provides evidence to support the Annual Governance Statement, which appears elsewhere on the agenda.

1.4 Alternative Action and why not Recommended

1.4.1 The production of an annual report is considered to be good practice. No other option could be recommended.

1.5 Impact on Corporate Objectives

1.5.1 The Audit Committee's role includes consideration of risk, controls and governance across the whole Council. The effectiveness of the Audit Committee therefore has an impact across all of the Council's Corporate Objectives.

1.6 Risk Management

1.6.1 The Audit Committee is a key element of the Council's governance arrangements and plays a particular role in relation to the adequacy of the Council's risk management arrangements, the control environment and associated anti-fraud and corruption arrangements. The Committee needs to be effective and to operate to good practice standards in order to deliver on its responsibilities. A failure to operate in this way would create a risk to the Council that the Committee is not sufficiently effective.

1.7 Other Implications None directly

1.7.1

- 1. Financial
- 2. Staffing
- 3. Legal
- 4. Equality Impact Needs Assessment
- 5. Environmental/Sustainable Development
- 6. Community Safety
- 7. Human Rights Act
- 8. Procurement
- 9. Asset Management



1.7.2 Although there is no statutory requirement for the Council to maintain an Audit Committee, it is considered to be good practice to do so. The effectiveness of the Committee therefore needs to be measured and improvements made where appropriate.

1.8 Relevant Documents

1.8.1 Appendices: Appendix A – Draft Audit Committee Annual Report – 2012/13.

1.9 Background Documents

1.9.1 None

IS THIS A KEY DECISION REPORT? - No

If yes, when did it first appear in the Forward Plan?

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This is a Key Decision because:

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Wards/Parishes affected:

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