

Gloucester City Council

Meeting:	Audit and Governance Committee	Date:	17 July 2023
	Council		21 September 2023
Subject:	Audit and Governance Committee Annual Report 2022-23		
Report Of:	Chair – Audit and Governance Committee		
Wards Affected:	Not applicable		
Key Decision:	No	Budget or Policy Framework:	No
Contact Officer:	Piyush Fatania - Head of Audit Risk Assurance		
	Email:	Tel: 01452 328883	
	Piyush.Fatania@gloucestershire.gov.uk		
Appendices:	A: Audit and Governance Committee Annual Report 2022-23		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 The Annual Report of the Chair of the Audit and Governance Committee (the Committee) summarises the Committee's activities during 2022-23 and sets out its plans for the next twelve months.
- 1.2 This report provides independent assurance that the Council has in place:
 - i. Adequate and effective governance, risk management and internal control frameworks;
 - ii. Internal and External Audit services; and
 - iii. Financial reporting arrangements that can be relied upon and which contribute to the high corporate governance standards that this Council expects and maintains.

2.0 Recommendations

- 2.1 Audit and Governance Committee is asked to:
 - i. **RESOLVE** to agree the Audit and Governance Committee Annual Report 2022-23; and
 - ii. **RECOMMEND** to Council that the Annual Report 2022-23 be approved.
- 2.2 Council is asked **RESOLVE** that the Annual Report 2022-23 be approved.

3.0 Background and Key Issues

- 3.1 The Council is responsible for ensuring that its business is conducted lawfully and to proper standards. This includes ensuring that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. In discharging this responsibility, the Council is responsible for putting in place the proper arrangements for the governance of its affairs.
- 3.2 A sound corporate governance framework involves accountability to service users, stakeholders and the wider community. Within this, 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 promote public confidence.
- 3.3 Audit Committees are widely recognised as a core component of effective governance. Their key role is to independently oversee and assess the internal control environment (comprising governance, risk management and control) and advise the Council on the adequacy and effectiveness of these arrangements.
- 3.4 The Council's Audit and Governance Committee ("Committee") was established in line with guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). The guidance recommends that Audit Committees should prepare an annual report to the governing body (full Council), which sets out the Committee's work on how they have discharged their responsibilities.
- 3.5 The Audit and Governance Committee Annual Report 2022-23 at **Appendix A** fulfils the above requirement.

4.0 Social Value Considerations

- 4.1 There are no social value implications as a result of the recommendations made in this report.

5.0 Environmental Implications

- 5.1 There are no environmental implications as a result of the recommendations made in this report.

6.0 Alternative Options Considered

- 6.1 Consideration has been given to not producing an Annual Report, however this has been discounted due to the CIPFA requirements as stated within paragraph 3.4.

7.0 Reasons for Recommendations

- 7.1 The Committee's terms of reference includes the accountability arrangement to provide an annual report to Council. The report should capture the Committee's performance in relation to the terms of reference criteria and confirm that the Council's systems of governance are operating effectively.
- 7.2 The approach assists in the Committee's independence from the executive and scrutiny functions. In addition, it provides status and clarity to the Committee's role.

8.0 Future Work and Conclusions

- 8.1 In accordance with CIPFA guidance, the Committee will continue to present an Annual Report to the full Council.
- 8.2 The Committee's work programme is dynamic. The programme will continue to be reviewed to ensure the Committee maximise its contribution to the governance and control framework, while managing agendas to ensure that all meetings are focused on the Council's key risks and issues.

9.0 Financial Implications

- 9.1 None directly arising from this report.

(Financial Services have been consulted in the preparation this report).

10.0 Legal Implications

- 10.1 None directly arising from this report.

(One Legal have been consulted in the preparation this report).

11.0 Risk and Opportunity Management Implications

- 11.1 Audit committees are a key component of a council's governance framework. The Committee's Annual Report is part of the overall internal control arrangements and risk management process.

12.0 People Impact Assessment (PIA) and Safeguarding:

- 12.1 A PIA is not required.

13.0 Community Safety Implications

- 13.1 There are no Community Safety implications as a result of the recommendations made in this report.

14.0 Staffing and Trade Union Implications

- 14.1 There are no Staffing and Trade Union implications as a result of the recommendations made in this report.

Background Documents:

Audit and Governance Committee meeting papers and minutes 2021/22
Constitution: Audit and Governance Committee Terms of Reference