

## Council 25<sup>th</sup> April 2024

<b>Report Title</b>	<b>Audit &amp; Governance Committee Annual Report 2023</b>
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<b>Are there public sector equality duty implications?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Does the report contain confidential or exempt information (whether in appendices or not)?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972</b>	
<b>Which Corporate Plan priority does the report most closely align with? <a href="#">Our priorities for the future   North Northamptonshire Council (northnorthants.gov.uk)</a></b>	Modern public services

### List of Appendices

#### **Appendix A - Audit and Governance Committee Annual Report 2023**

##### **1. Purpose of Report**

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- 1.1 To inform the Council on the work of the Audit and Governance Committee during the twelve-month period of 1<sup>st</sup> October 2022 to 31<sup>st</sup> September 2023 and the means by which the Committee has provided independent assurance to those charged with governance on the integrity of financial reporting and annual governance processes, the adequacy of the risk management framework and the internal control environment.

##### **2. Executive Summary**

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- 2.1 The report summarises the work carried out by the Committee in the areas of responsibility defined within its terms of reference. The report reflects upon the Committee's contribution to embedding good governance, internal control and risk management within the organisation during the last twelve months and also includes the outcomes of a self-assessment of the committee's effectiveness, against the latest Chartered Institute of Public Finance and Accountancy (CIPFA) Guidance, with action plan.

### **3. Recommendations**

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3.1 It is recommended that Council:

- a) Welcomes the work of the Audit and Governance Committee during the twelve-month period of 1<sup>st</sup> October 2022 to 31<sup>st</sup> September 2023;
- b) Approve the Audit and Governance Committee Annual Report 2023.

3.2 Reason for Recommendations:

- To comply with the Audit and Governance Committee's terms of reference and best practice guidance on effective audit committees.

3.3 Alternative Options Considered:

- None – it is best practice and consistent with the Council's Code of Corporate Governance for Council to consider and approve the annual report of the Audit and Governance Committee.

### **4. Report Background**

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4.1 The Chartered Institute of Public Finance & Accountancy (CIPFA) sets out the role of Audit Committees in the Position Statement 2022: Audit Committees in Local Government. This states that "the purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements".

4.2 The Accounts and Audit (England) Regulations impose a responsibility on a local authority "for ensuring that the financial management of the body is adequate and effective and that the body has a sound system of internal control which facilitates the effective exercise of that body's functions and which includes arrangements for the management of risk."

4.3 The Audit and Governance Committee's Terms of Reference state: "The Audit and Governance Committee will carry out an annual self-assessment, including a review of these terms of reference, to evaluate its own performance and determine any action required to improve its effectiveness. The outcomes will be reported to Full Council".

4.4 The Audit and Governance Committee comprises of 12 elected Members. The Committee has five planned meetings each year at which reports submitted by officers and the External Auditor are considered. By consideration of these reports and matters raised within them it is considered that the Audit and Governance Committee fulfils the core functions of an Audit Committee as set out in the CIPFA Guidance and is able to give independent assurance to the Council to meet the requirements of the Accounts & Audit (England) Regulations.

4.5 The Annual Report reflects upon the work of the Committee against its core functions during the year.

- 4.6 In July 2023, three Members of the Committee led on the completion of a self-assessment against the 2022 CIPFA guidance on the role of the Audit Committee. The outcomes of this assessment were shared with the wider Committee and further discussed at a training session, resulting in the action plan included in the Annual Report. These actions will be subject to regular review by the Committee.

## **5. Issues and Choices**

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- 5.1 The recommended approach is in line with the Committee's Terms of Reference and best practice guidance for the Council.

## **6. Implications (including financial implications)**

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### **6.1 Resources and Financial**

- 6.1.1 None specific to this report.

### **6.2 Legal**

- 6.2.1 None specific to this report.

### **6.3 Risk**

- 6.3.1 None arising from this report.

### **6.4 Consultation**

- 6.5 The Audit and Governance Committee considered the Annual Report at its meeting held on 27<sup>th</sup> November 2023 prior it now being presented to Council for approval.

### **6.6 Consideration by Scrutiny**

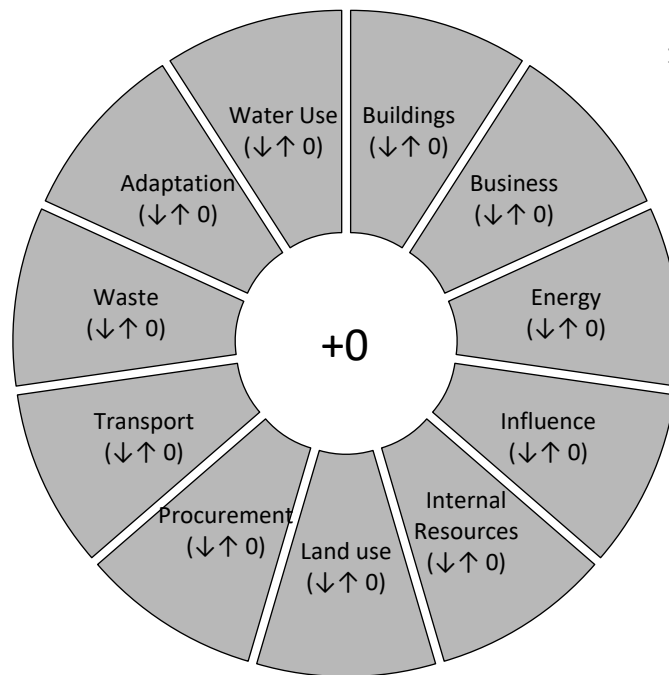
- 6.6.1 Not required on this occasion.

### **6.7 Equality Implications**

- 6.7.1 None specific to this report.

### **6.8 Climate Impact**

- 6.8.1 None specific to this report.



North Northamptonshire Council has committed to being a carbon neutral organisation by 2030, 5 yrs & 8 mos away.

## 6.9 Community Impact

6.9.1 None specific to this report.

## 6.10 Crime and Disorder Impact

6.10.1 None specific to this report.

## 7. Background Papers

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7.1 [Report to Audit and Governance Committee – 27 November 2023 \(minute 140 refers\).](#)

7.2 [Council Code of Corporate Governance](#)