

# STROUD DISTRICT COUNCIL

## COUNCIL

21 JULY 2022

<b>Report Title</b>	<b>ANNUAL REPORT OF THE CHAIR OF THE AUDIT AND STANDARDS COMMITTEE 2021/22</b>			
<b>Purpose of Report</b>	<p>The Annual Report of the Chair of the Audit and Standards Committee (the Committee) summarises the Committee's activities during 2021/22 and sets out its plans for the next twelve months.</p> <p>This report provides independent assurance that the Council has in place:</p> <ul style="list-style-type: none"> <li>I. Adequate and effective governance, risk management and internal control frameworks;</li> <li>II. Internal and External Audit services; and</li> <li>III. Financial reporting arrangements that can be relied upon and which contribute to the high corporate governance standards that this Council expects and maintains.</li> </ul>			
<b>Decision(s)</b>	<b>Council RESOLVES to approve the Annual Report of the Chair of the Audit and Standards Committee 2021/22 as recommended by Audit and Standards Committee.</b>			
<b>Consultation and Feedback</b>	Audit and Standards Committee have been consulted on the report content.			
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<b>Options</b>	Consideration has been given to not producing an Annual Report. However this has been discounted due to the Chartered Institute of Public Finance and Accountancy (CIPFA) requirements, as confirmed below.			
<b>Background Papers</b>	Relevant public reports presented to the Audit and Standards Committee during 2021/22 and minutes of those meetings can be found via the following <a href="#">link</a> .			
<b>Appendices</b>	Appendix 1 – Annual Report of the Chair of the Audit and Standards Committee 2021/22			
<b>Implications (further details at the end of the report)</b>	Financial	Legal	Equality	Environmental
	No	No	No	No

At its meeting on the 19 July 2022, the Audit & Standards Committee will consider the annual report of the Chair. Given that the final approval has to be made by Council, it is necessary to place this matter on the Council agenda pending the decision of Audit & Standards Committee.

## **1.0 INTRODUCTION/BACKGROUND**

- 1.1 Stroud District Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards; and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. In discharging this overall responsibility, the Council is responsible for putting in place the proper arrangements for the governance of its affairs.
- 1.2 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 to promote public confidence.
- 1.3 Audit committees are widely recognised as a core component of effective governance. Their key role is independently overseeing and assessing the internal control environment (comprising governance, risk management and control) and advising the Council on the adequacy and effectiveness of these arrangements.
- 1.4 The Stroud District Council Audit and Standards Committee was established in September 2009 in line with guidance issued by CIPFA. The guidance recommends that audit committees should prepare an annual report to the full Council, which sets out the Committee's work on how they have discharged their responsibilities.
- 1.5 The Annual Report of the Chair of the Audit and Standards Committee 2021/22 fulfils the above requirement.

## **2.0 MAIN POINTS**

- 2.1 The Audit and Standards Committee undertake a substantial range of activities. The group work closely with the Chief Financial Officer, the Monitoring Officer and both the Internal and External Auditors, in achieving the Council's aims and objectives.
- 2.2 The Committee has developed and implemented a work programme for the year to enable key tasks to be considered, undertaken and delivered. Through the 2021/22 work programme, the Committee has:
  - I. Provided independent assurance on the adequacy of the Council's governance, risk management framework and associated control environment;
  - II. Provided independent scrutiny of the Council's financial and non-financial performance to the extent that it affects the Council's exposure to risk and weakens the control environment; and
  - III. Overseen the statutory financial reporting process.

### **3.0 CONCLUSION**

- 3.1 The Audit and Standards Committee has had a successful year in providing the Council with assurance on the strength of its governance and stewardship arrangements and in challenging those arrangements.
- 3.2 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.

### **4.0 IMPLICATIONS**

#### **4.1 Financial Implications**

There are no financial implications arising directly from this report.

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Risk Assessment:

Failure to deliver effective governance will negatively impact on the achievement of the Council's objectives and priorities.

#### **4.2 Legal Implications**

There are no specific legal implications arising from this report.

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#### **4.3 Equality Implications**

There are no equality implications as a result of the recommendations made within this report.

#### **4.4 Environmental Implications**

There are no environmental implications as a result of the recommendations made within this report.