

# AUDIT COMMITTEE

## Agenda Item 13

Brighton & Hove City Council

**Subject:** Audit Committee Annual Report 2010/11  
**Date of Meeting:** Council 21<sup>st</sup> July 2011  
28<sup>th</sup> June 2011  
**Report of:** Director of Finance  
**Contact Officer:: Name:** Ian Withers, Head of Audit & Business Risk  
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**Wards Affected:** All

For General Release

### 1. SUMMARY AND POLICY CONTEXT:

- 1.1 This draft report attached at Appendix 1 provides a summary of the Audit Committee's performance and achievements during 2010/11. It has been prepared on behalf of the Audit Committee members.
- 1.2 The preparation of an annual report is recognised as best practice for Audit Committees in providing assurance over its role by the Chartered Institute of Public Finance and Accountancy.

### 2. RECOMMENDATIONS:

It is recommended that the Audit Committee:

- 2.1 Considers the draft report at Appendix 1 and makes any amendments and additions it deems necessary.
- 2.2 Refer the report (incorporating any amendments and additions) to Full Council for approval.

### 3. BACKGROUND

- 3.1 The Audit Committee (the Committee) was established in May 2008, replacing the previous Audit Panel. Its purpose is contained in the Terms of Reference attached at Appendix A.
- 3.2 Whilst there is no statutory requirement for a local authority to establish an Audit Committee it is implied by the Accounts and Audit (England) Regulations 2011 (as amended) and recognised across both the private and public sectors as a key component of corporate governance.

3.3 The key benefits of an effective Audit Committee are:

- Raising greater awareness of the effectiveness and continued development of the council's governance arrangements;
- Increasing public confidence in the objectivity and fairness of financial and other reporting; and
- Reinforcing the importance and independence of internal and external audit.

#### 4. CONSULTATION

4.1 None

#### 5. FINANCIAL & OTHER IMPLICATIONS:

5.1 Financial Implications:

The costs of the Audit Committee and its work programme including officer support and training is met from existing budgetary provision.

*Finance Officer Consulted: Anne Silley 15<sup>th</sup> June 2011*

5.2 Legal Implications:

The report is made under the Committee's power to consider and make recommendations to Full Council on matters relating to or affecting the Committee's functions.

*Lawyer Consulted: Oliver Dixon 16<sup>th</sup> June 2011*

##### Equalities Implications:

5.3 There are no equalities implications arising.

##### Sustainability Implications:

5.4 There are no sustainability implications arising.

##### Crime & Disorder Implications:

5.5 There are no crime and disorder implications arising.

##### Risk and Opportunity Management Implications:

5.6 There are no direct risk and opportunity management implications arising.

##### Corporate / Citywide Implications:

5.7 Robust corporate governance arrangements are essential to the sound management of the City Council and the achievement of its objectives as set out in the Corporate Plan.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Audit Committee Annual Report 2010/11

### **Background Documents**

1. Reports to the Audit Committee May 2010 – May 2011

