

AUDIT COMMITTEE ANNUAL REPORT 2020/21

REPORT OF AUDIT MANAGER

AGENDA ITEM: 7.1

Reason

1. The Terms of Reference for the Committee sets out its responsibility:
 - To report to Council on the Committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of the governance, risk management and internal control frameworks, financial reporting arrangements and internal and external audit functions.
 - To report to Council on an annual basis and to publish an annual report on the Committee's work, its performance in relation to the Terms of Reference, and its effectiveness in meeting its purpose.
 - To raise the profile of probity generally within the Council and to report on matters of concern to the individual Cabinet Member, relevant Scrutiny Committee, Cabinet or to Council as necessary and appropriate.
 - To work in synergy with the five Scrutiny Committees of the Council and liaise with other Council Committees as and when appropriate to avoid duplication in work programmes.
2. Appendix 1 contains the draft Audit Committee Annual Report 2020/21, which has been prepared for Committee to consider in accordance with the above responsibilities.
3. Appendix 2 contains a draft Action Plan for the Committee to consider, which has been developed based on the feedback responses received from senior officers who attended Committee meetings during 2020/21.

Background

4. The Committee presents an Annual Report to Council as an open account of its work, performance in relation to its terms of reference and its effectiveness in meeting its purpose.
5. The Committee's Annual Report is typically presented to Full Council by the Chairperson in an autumn meeting following the end of each municipal year. In October 2020, due to the impact of the pandemic on Council business and proceedings, all Committee annual reports were received by Council as information items without an accompanying verbal presentation by the respective Chairperson.
6. The Governance and Audit Committee Chairperson is anticipating an invitation to attend a Full Council meeting this autumn to present the Audit Committee Annual Report 2020/21 on behalf of the Committee.

7. From the current municipal year, the Committee has been renamed as a Governance and Audit Committee in accordance with the provisions of the Local Government and Elections (Wales) Act 2021. The Annual Report for 2020/21 is in the name of the 'Audit Committee' as it represents an account of its activities, performance and effectiveness during the last municipal year.

Issues

8. The draft Audit Committee Annual Report 2020/21 has been prepared with the engagement of the Governance and Audit Committee Chair and Vice Chair. It contains:
 - A Chairperson foreword
 - Details of the role and work of the Audit Committee during 2020/21
 - Information on the Committee's self-assessment which took place in January 2021, and the resulting action plan
 - Key observations and the opinion of the Committee for 2020/21 on the Council's control environment relative to its terms of reference
 - Insight on the areas for particular Committee attention in the year ahead
 - Membership, attendance and contact information.
9. The Committee has received feedback from senior officers who attended Committee meetings with during the last municipal year. Feedback ratings were received in respect of 'performance', 'discussion and engagement' and 'assurance and influence'. The scores are contained within Annex 3 of the Audit Committee Annual Report 2020/21. Ratings of 'good' or 'excellent' were received across all areas reviewed by respondents.
10. Accompanying the feedback ratings were narrative comments, and these were reviewed by the Chair of the Governance and Audit Committee and the Audit Manager following the municipal year-end. A meeting was arranged with colleagues in Audit Wales to discuss their comments, and a draft action plan reflecting on all responses received has been prepared. The draft action plan is included in Appendix B for Committee consideration.

Legal Implications

11. There are no legal implications arising from this report.

Financial Implications

12. There are no financial implications arising from this report.

Recommendations

13. To consider and agree the Audit Committee Annual Report 2020/21 and the draft actions from Committee feedback.

CHRIS PYKE
AUDIT MANAGER

Appendix A - Draft Audit Committee Annual Report 2020/21
Appendix B - Draft Actions from Committee Feedback