



Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	Audit Committee
Date:	16 November 2020
Subject:	Draft Audit Committee Annual Report 2019/20

Summary:

This report presents the proposed annual report of the Audit Committee for 2019/20 and seeks approval for the Chairman to present this report to Council.

Recommendation(s):

That the Committee approve the Chairman to present the Audit Committee Annual Report 2019/20 (subject to any amendments) to the Council.

Background

1. Lincolnshire County 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.
2. A sound corporate governance framework involves accountability to service users, stakeholders and the wider community, within which the council takes decisions and leads and controls its functions to achieve stated objectives and priorities.
3. It thereby provides an opportunity to demonstrate the positive elements of the council's business and to promote public confidence.
4. 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 of governance, risk management and control and advising the Council on the adequacy and effectiveness of these arrangements.
5. In response to the above, the Audit Committee was established in 2006 in line with guidance issued by the Chartered Institute of Public Finance and

Accountancy (CIPFA). This 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.

6. The Committee undertakes a substantial range of activities and works closely with the Executive Director - Resources (Section 151 Officer) and both internal and external auditors, in achieving the Council's aims and objectives.
7. The Committee has developed and implemented a work plan for the year to enable key tasks to be considered, undertaken and delivered. To summarise, through the work plan the Committee has:
 - ✓ the council's financial reporting process.
 - ✓ internal and external audit arrangements and outcomes.
 - ✓ systems and processes for managing risk and internal control – particularly gaining assurance on how the changing service delivery models arising from the coronavirus pandemic impacts the council's governance, risk and control environment.
 - ✓ counter fraud arrangements.
 - ✓ the council's governance arrangements – supporting good governance and strong public financial management.

See Appendix A – Draft Audit Committee Annual Report 2019/20.

Consultation

a) Risks and Impact Analysis

Not applicable - Good practice in both private and public sector advocates that the Audit Committee should report directly to the governing body of the organisation. In the case of local authorities this is full Council.

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

Appendices

These are listed below and attached at the back of the report	
Appendix A	Draft Audit Committee Annual Report 2019/20

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Lucy Pledge, who can be contacted on 07557498932 or lucy.pledge@lincolnshire.gov.uk.