

WIRRAL COUNCIL

CABINET

12 APRIL 2012

SUBJECT:	AUDIT AND RISK MANAGEMENT COMMITTEE ANNUAL REPORT
WARD/S AFFECTED:	ALL
REPORT OF:	CHIEF INTERNAL AUDITOR
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR TOM HARNEY
KEY DECISION ?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 To comply with best professional practice the Audit and Risk Management Committee is required to complete an annual report to Cabinet on the work undertaken by the Audit and Risk Management Committee.
- 1.2 Attached at Appendix A is the Annual Report prepared by the Chair of the Audit and Risk Management Committee in consultation with Internal Audit and agreed by the Audit and Risk Management Committee on 13 March 2012.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Department for Communities and Local Government (DCLG) issued amended regulations in 2006, to the 2003 Accounts and Audit Regulations – ‘The Accounts and Audit (Amendment) (England) Regulations 2006.
- 2.2 One of the amended regulations impacts on the process for preparing the Statement of Internal Control (SIC) which is subsumed within the Annual Governance Statement (AGS) and relates specifically to the the systems of internal audit in operation. This is:-
 - Regulation 6 requires bodies to regularly review their system of internal audit, and for the findings to be considered by a committee of the body, or by the body as a whole.
- 2.3 Advice from CIPFA includes the assertion that the “systems of internal audit” can be considered to include the role and effectiveness of the Audit Committee which therefore should be assessed and evaluated.

2.4 To assist Councils in this evaluation exercise CIPFA has provided a self assessment checklist and recommended that this be completed annually by the Audit and Risk Management Committee. This has been completed by the Chair of the Audit and Risk Management Committee and an action plan identifying areas for improvement prepared which was presented to Audit and Risk Management Committee on 13 March 2012.

2.5 The annual report for 2011/12 has been prepared by the Chair of the Audit and Risk Management Committee in consultation with Internal Audit and is attached at Appendix A.

3.0 RELEVANT RISKS

3.1 Potential failure of the Audit and Risk Management Committee to comply with best professional practice and thereby not function in an efficient and effective manner.

4.0 OTHER OPTIONS CONSIDERED

4.1 No other options considered.

5.0 CONSULTATION

5.1 Members of the Audit and Risk Management Committee have been consulted throughout the process regarding the content of the annual report and their views are reflected in the final document attached.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 There are none arising from this report.

7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

7.1 There are none arising from this report.

8.0 LEGAL IMPLICATIONS

8.1 There are none arising from this report.

9.0 EQUALITIES IMPLICATIONS

9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(a) No because there is no relevance to equality.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 There are none arising from this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are none arising from this report.

12.0 RECOMMENDATION

12.1. That the Annual Report be noted.

13.0 REASON FOR RECOMMENDATION

13.1 To comply with best practice identified in the CIPFA publication 'A Toolkit for Local Authority Audit Committees'.

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APPENDICES

Audit and Risk Management Committee Annual Report 2011/12

REFERENCE MATERIAL

CIPFA Publication 'A Toolkit for Local Authority Audit Committees'

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Audit and Risk Management Committee	22 November 2010
Audit and Risk Management Committee	17 January 2011
Audit and Risk Management Committee	28 March 2011
Audit and Risk Management Committee	13 March 2012