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**AUDIT COMMISSION ANNUAL GOVERNANCE REPORT 2011/12**

Relevant Portfolio Holder	Roger Hollingworth
Portfolio Holder Consulted	Yes
Relevant Head of Service	Jayne Pickering ( Exec Director)
Wards Affected	<b>All</b>
Ward Councillor Consulted	None specific

**1. SUMMARY OF PROPOSALS**

- 1.1 To enable Members to consider the Annual Governance Report as attached at Appendix 1 for 2011/12 from the Audit Commission. In addition the Audit Letter for 2011/12 is also attached for members consideration at Appendix 2.

**2. RECOMMENDATIONS**

- 2.1 **That Cabinet considers and notes the Annual Governance Report 2011/12**
- 2.2 **That Cabinet recommend to Council the approval of the draft letter of representation as included in the Governance report.**
- 2.2 **That Cabinet notes the Annual Audit Letter 2011/12.**

**3. KEY ISSUES**

**Financial Implications**

- 3.1 None other than those included in this report.

**Legal Implications**

- 3.2 The Accounts and Audit Regulations 2011 require that the Council complies with statutory accounting legislation and changes.

**Service / Operational Implications**

- 3.3 The Statement of Accounts were approved by the Executive Director of Finance and Resources in June 2012 in accordance with revised legislation on approval of the accounts which included formal approval of the Accounts by Council by 30<sup>th</sup> September each year.
- 3.4 During the External Audit of the Accounts for 2011/12 it was recognised by the Commission that the accounts were well prepared and no material amendments were necessary.

3.5 There are 5 recommendations proposed by the Audit Commission that have been agreed by officers. These are

- Review the shared service plans accounting arrangements in order to simplify the process
- Improve risk management arrangements and reporting
- Continue to monitor the delivery of the Internal Audit plan
- Review the format of the monitoring of savings as presented to officers and members
- Formally review the Housing Benefit transformation work

Officers have put together responses to the recommendations and these will be presented at the Cabinet meeting.

3.6 In addition to the work on the accounts preparation the Audit Commission assess their opinion on value for money. Their conclusion is that they are satisfied that the Council has put in place proper arrangements to secure economy, efficiency and effectiveness during 2011/12.

3.7 The Annual Audit Letter is also attached at Appendix 2. This reflects the opinion as detailed in the Governance Report

**Customer / Equalities and Diversity Implications**

3.7 None as a direct result of this report.

**4. RISK MANAGEMENT**

4.1 The corporate risk register includes the preparation of the accounts and the controls in place to ensure the accounts are treated in compliance with accounting standards.

**5. APPENDICES**

Appendix 1 – Audit Commission – Annual Governance Report 2011/12  
Appendix 2 - Audit Commission – Annual Audit Letter 2011/12

**AUTHOR OF REPORT**

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