

Somerset Council

Full Council
17 July 2024



Audit Committee Annual Report to Full Council 2023-24

Chair of Audit Committee: Councillor Mike Hewitson

Local Member(s): ALL

Executive Director Resources and Corporate Services: Jason Vaughan

Executive Summary

Purpose of the Audit Committee Annual Report

Under CIPFA best practice the Audit Committee should produce an annual report on its performance to Full Council. This report summarises the work of the audit committee during 2023-24 and how it has fulfilled its duty. To assess its performance the following key areas have been considered, as aligned to CIPFA best practice:

- Membership and Attendance
- Performance in delivery of its Terms of Reference
- Compliance to the CIPFA Audit Committee Position Statement
- Compliance to CIPFA Audit Committee Best Practice Self-Assessment
- Assessment of Skills and Knowledge
- Training and Development

Recommendations

Full Council are recommended to consider and comment on the Somerset Council Audit Committee Annual Report 2023-24.

Reasons for Proposals

Good governance is ultimately the responsibility of Full Council as the governing body of Somerset Council. This report provides assurance to the way in which the Audit Committee has discharged its role to support the Full Council in this responsibility.

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Main report and supporting information

Background and purpose of report

1. Role of the Audit Committee

1.1 The Audit Committee is a key component of Somerset Council's governance framework. Its purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. The committee's role in ensuring that there is sufficient assurance over governance risk and control gives greater confidence to all those charged with governance that those arrangements are effective. The Audit Committee has oversight of both internal and external audit together with the financial and governance reports, helping to ensure that there are adequate arrangements in place for both internal challenge and public accountability.

1.2 The Audit Committee is directly accountable to Full Council. It is independent of both the executive and the scrutiny functions and is a key advisory committee providing independent oversight, recommendations, opinions and influence on the matters for which it is responsible. To assist the Audit Committee in fulfilling its role, it has a right of access to and is expected to engage constructively with other committees and functions, for example scrutiny committees, corporate risk management groups/boards where they exist and other strategic groups. The Audit Committee also has the right to request reports and seek assurances from relevant officers.

1.3 The Audit Committee is governed by its terms of reference that shall be reviewed by Full Council on the advice of the committee to ensure that they remain fit for purpose and in accordance with any relevant regulations and guidance. Any revisions will be agreed by the Full Council and by the Audit Committee. The current Audit Committee Terms of Reference were approved by Full Council in February 2023 and are based on CIPFA's recommended Audit Committee Terms of Reference.

Key considerations for the Council

Audit Committee comments / recommendations:

2. Following consideration of the Audit Committee Annual Report 2023-24, at its meeting 30 May 2024, the Audit Committee requested that additional information be added to report regarding qualifications and experience, (section 12 of the Audit Committee Annual report).

Consultation and feedback

3. The Audit Committee invite and welcome all councillors, the press, and the public to attend and contribute to its meetings.

Financial and Risk Implications

4. There are no specific financial and risk issues.

The Audit Committee considers carefully and often ask for further information about the implications as outlined in the reports considered at its meetings.

Legal and Procurement Implications

5. There are no specific legal implications of the recommendations.

The Audit Committee considers carefully and often ask for further information about the implications as outlined in the reports considered at its meetings.

HR / Workforce Implications

6. There are specific HR / Workforce implications.

The Audit Committee considers carefully and often ask for further information about the implications as outlined in the reports considered at its meetings.

Equalities Implications

7. There are no specific Equalities implications.

The Audit Committee considers carefully and often ask for further information about the implications as outlined in the reports considered at its meetings.

Community Safety Implications

8. There are no specific Community Safety implications.

The Audit Committee considers carefully and often ask for further information about the implications as outlined in the reports considered at its meetings.

Climate Change and Sustainability Implications

9. There are no specific Climate Change and Sustainability implications.

The Audit Committee considers carefully and often ask for further information about the implications as outlined in the reports considered at its meetings.

Health and Safety Implications

10. There are specific Health and Safety implications.

The Audit Committee considers carefully and often ask for further information about the implications as outlined in the reports considered at its meetings.

Health and Wellbeing Implications

11. There are specific Health and Wellbeing implications.

The Audit Committee considers carefully and often ask for further information about the implications as outlined in the reports considered at its meetings.

Social Value

12. There are no specific social value implications.

The Audit Committee considers carefully and often ask for further information about the implications as outlined in the reports considered at its meetings.

Background Papers

13. Audit Committee papers can be found at:

[Browse meetings - Audit Committee - Modern Council \(somerset.gov.uk\)](https://www.somerset.gov.uk/modern-council/audit-committee-meetings)

Appendices

- Appendix 1 – Somerset Council AC compliance with CIPFA position statement 2024
- Appendix 2 – AC Skills Survey as at February 2024
- Appendix 3 – Interactive Appendix E – self assessment of good practice

Report assurance checklist ahead of report publication

	Officer Name	Date Completed
Executive Director	Jason Vaughan	30 May 2024
Audit Committee Chair	Cllr Mike Hewitson	30 May 2024