



Audit Committee

Date Thursday 26 February 2015
Time 10.00 am
Venue Committee Room 1A, County Hall, Durham

Business

Part A

**Items during which the Press and Public are welcome to attend.
Members of the Public can ask questions with the Chairman's
agreement.**

- 13 a) Scheme of Delegations - Annual Governance Statement -
Report of the Chief Internal Auditor and Corporate Fraud
Manager (Pages 1 - 4)

Colette Longbottom
Head of Legal and Democratic Services

County Hall
Durham
18 February 2015

To: **The Members of the Audit Committee**

Councillor E Bell (Chairman)
Councillor J Rowlandson (Vice-Chairman)

Councillors L Armstrong, C Carr, S Forster, J Hillary, O Temple,
T Smith and W Stelling

Co-opted Members:

K Larkin-Bramley and T Hoban

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Audit Committee**26 February 2015****Scheme of Delegations -
Annual Governance Statement**

Report of the Chief Internal Auditor and Corporate Fraud Manager

Purpose of the Report

- 1 To seek agreement to recommend to the Constitution Working Group and Full Council that responsibility for adopting the Annual Governance Statement (AGS) be delegated to Audit Committee (Constitution, Schedule 1, Part A, Responsibility for Non-Executive or Council Functions). This proposal will avoid the requirement to report the Annual Governance Statement to Full Council and will ensure that it is approved in a timely manner and in accordance with Council's Constitution.

Background

- 2 The Accounts and Audit Regulations 2011 require all relevant bodies to prepare an Annual Governance Statement (AGS), which is to accompany the Statement of Accounts (SoA).
- 3 The regulations also require that, on or before the 30 September, approval is given to the SoA by resolution of a committee, which for Durham County Council is the Audit Committee.
- 4 Therefore, the approval processes for the AGS and the SoA must be aligned and must ensure that both documents are formally approved by 30 September.

Current process for approving the Annual Governance Statement and the Statement of Accounts

- 5 In June, Audit Committee approves the draft AGS and the Chief Finance Officer signs and certifies the SoA subject to the views of the External Auditor.
- 6 In July, the AGS is presented, for information, to Full Council to provide members with an opportunity to raise any concerns.
- 7 In September, Audit Committee approves the Final AGS, which is then included in the SoA. The SoA is signed by the Leader, the Chief Executive and the Chief Finance Officer; and approved by Audit Committee.

Recommendations and Reasons

- 8 Audit Committee is requested to recommend to Constitution Working Group and Full Council that the relevant Audit Committee function in the Constitution be amended from,
- (a) approval of the Council's Annual Governance Statement and recommend its adoption; to
 - (b) adoption of the Council's Annual Governance Statement.

Contact: David Marshall Tel: 03000 269648

Appendix 1: Implications

Finance - None

Staffing - None

Risk – None

Equality and Diversity/Public Sector Equality Duty – None

Accommodation – None

Crime and disorder - None

Human rights - None

Consultation - None

Procurement – None

Disability issues – None

Legal Implications – This proposal will ensure that the Annual Governance Statement is approved in a timely manner and in accordance with Council's Constitution.

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