

<b>MEETING:</b>	<b>AUDIT AND CORPORATE GOVERNANCE</b>
<b>DATE:</b>	<b>17 SEPTEMBER 2010</b>
<b>TITLE OF REPORT:</b>	<b>ANNUAL GOVERNANCE REPORT 2009/10</b>
<b>PORTFOLIO AREA:</b>	<b>RESOURCES</b>

**CLASSIFICATION:** Open.

### **Wards Affected**

None

### **Purpose**

To introduce the external auditor's Annual Governance Report for 2009 which sets out:

- a. Their opinion on the financial statements for 2009/10 approved by the Committee on 29 June 2010.
- b. Their opinion on the council's arrangements for securing value for money.
- c. Their recommendations for further improvements in the council's governance arrangements arising from their audit work.

### **Key Decision**

This is not a Key Decision.

### **Recommendation(s)**

**THAT:**

- (a) the content of the Annual Governance Report (AGR) for 2009/10 attached to this report is discussed with the external auditor.
- (b) the action plan in the Annual Governance Report in response to the recommendations contained in the Report for 2009/10 be agreed.
- (c) the Draft Letter of Representation (Appendix 3 of the AGR 2009 attached to this report refers) be approved for signature by the Chair of the Committee and the Director of Resources.

### **Alternative Options**

- 1 This is an information report and therefore no alternative options are outlined.

## **Reasons for Recommendations**

- 2 The statutory Code of Audit Practice in Local Government Bodies requires the external auditor to make a report to those charged with governance that summarises the conclusions they have drawn from their audit work and their opinion on the financial statements and value for money. The Council's Constitution sets out the Audit & Governance Committee's responsibilities for matters of governance.

## **Key Considerations**

- 3 The external auditor will present the Annual Governance Letter for 2009/10.
4. The Audit Commission anticipates issuing an unqualified opinion on both the statement of accounts for 2009/10 and the council's arrangements for securing value for money by the statutory deadline of 30 September 2010.
5. The Audit Commission has not identified any material or significant issues to bring to the Committee's attention this year.

## **Financial Implications**

6. None arising directly from this report.

## **Legal Implications**

- 7 This report has no legal implications.

## **Risk Management**

- 8 The Audit & Governance Committee is charged with responsibility for corporate governance and will monitor progress made by management in addressing the issues identified in the external auditor's Annual Governance Letter for 2009/10. The Chief Internal Auditor will report progress in the internal audit assurance report he presents at each of the Committee's meetings.

## **Consultees**

- 9 None.

## **Appendices**

- 10 Annual Governance Report 2009/10 (attached as an appendix to this report).