

Birmingham City Council

City Council

16 April 2024



Subject: Audit Committee Annual Report
Report of: Councillor Fred Grindrod, Chair of the Audit Committee
Report author: Andrew Hardingham, Technical Advisor to the Audit Committee

Does the report contain confidential or exempt information? Yes No

If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential :

1 Executive Summary

- 1.1 The report contained in Appendix 1 summarises the work of the Audit Committee completed between September 2022 and March 2024.
- 1.2 It describes the purpose and core functions of the Council's Audit Committee and summarises the assurance activities undertaken; this includes:
 - Assurance Statements and Governance.
 - Risk Management.
 - Receiving reports from the Local Government Ombudsman.
 - Internal Audit and Counter Fraud.
 - Financial Reporting, External Audit, Inspection, and assurance.

2 Recommendation(s)

- 2.1 That City Council:
 - 2.1.1 Receives and considers the annual report of the Audit Committee.
 - 2.1.2 Endorse the new approach to the production of the Annual Governance Statement ensuring that the Committee are able to fully contribute to its development and that the statement becomes the foundation upon which the work of the Committee is built.
 - 2.1.3 Support the ongoing development of the Committee recognising that this is not a quick fix but a journey of development.

3 Background

- 3.1 The Audit Committee is a key component of the Council's governance framework.
- 3.2 The role of the Audit Committee is set out within its terms of reference. Best practice guidelines published by the Chartered Institute of Public Finance and Accountancy (CIPFA) recommend that Audit Committees publish an annual report to maintain transparency and accountability, account for its performance, explain its work and set out the assurance that has been received.
- 3.3 The reporting period has been extended to bring the annual report into line with the Council's other key reporting periods, particularly the annual fiscal cycle.

4 Legal Implications

- 4.1 There are no direct legal implications arising from this report, however the work and functions of the Council's Audit Committee is prescribed in the Council's Constitution.

5 Financial Implications

- 5.1 There are no additional financial implications arising from this report, however the work and functions of the Audit Committee includes considering the external auditor's annual findings report and letter, including the annual Value for Money assessment and relevant reports, and approving the Council's audited Financial Statements.

6 Background Papers

- 6.1 None.

7 Appendices

- 7.1 Appendix 1: Annual Report of the Audit Committee.