

Audit Committee Chair's Annual Report

Report by John Blair, Director, Resources

1 Purpose of Report

The purpose of this report is to bring to the Council's attention the Annual report of the Independent Chair Audit Committee, in respect of the Committee's activities during 2013/14 and to highlight certain recommendations contained therein.

2 Background

- 2.1** The Independent Chair's report was considered by the Audit Committee on 17 June 2014. A copy is appended to this report.

The Audit Committee agreed as follows:-

- (a) To approve the report and to refer it to the Council for its interest; and
- (b) To adopt the Chair's recommendations in respect of changes to Standing Orders to ensure that the Audit Committee's functions and remit were in accord with the CIPFA Practical Guidance for Local Authority Audit Committees.

3 Report Implications

3.1 Resource

There are no resource implications arising directly from this report or the report of the Independent Chair of the Audit Committee.

3.2 Risk

The failure of the Council to ensure that the Audit Committee's remit is in accordance with recommended best practice and guidance, could result in the Committee's function being diluted hence the recommended changes to Standing Orders.

3.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- ☐ Community safety
- ☐ Adult health, care and housing
- ☐ Getting it right for every Midlothian child
- ☐ Improving opportunities in Midlothian
- ☐ Sustainable growth
- x ☐ Business transformation and Best Value
- ☐ None of the above

3.4 Key Priorities within the Single Midlothian Plan

N/A

3.5 Impact on Performance and Outcomes

The Audit Committee has a key role in ensuring that the Council secures Value for Money; secures Business Transformation and Best Value; and that the Council's financial affairs are conducted in accordance with the highest standards. The recommendations from the Independent Chair, seek to help the Council to both enhance and achieve these aims.

3.5 Adopting a Preventative Approach

N/A

3.6 Involving Communities and Other Stakeholders

N/A

3.7 Ensuring Equalities

N/A

3.8 Supporting Sustainable Development

N/A

3.9 IT Issues

N/A

4 Recommendations

The Council is invited to consider the Independent Chair of the Audit Committee's Annual report and to consider the recommended changes to Standing Orders.

If the Council are minded to support the recommended changes to Standing Orders, then it is recommended that the Council approve these in principle and agree that these be incorporated into the next review of Standing Orders.

Date 17 June 2014**Report Contact:**

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