

**Corporate Committee**

**Council**

14 April 2016

18 May 2016

**Corporate Committee Annual Report 2015/16**

**Wards:**

All

**Report Authorised by:**

Jackie Belton, Strategic Director, Corporate Resources

**Portfolio:**

Councillor Paul McGlone, Deputy Leader - Finance and Investment

**Contact for enquiries:**

[dhughes@lambeth.gov.uk](mailto:dhughes@lambeth.gov.uk)

David Hughes, Head of Internal Audit and Counter Fraud, 020 7926 9892

**Report summary**

This is the tenth Annual Report of the Corporate Committee which is to be submitted to the Council Meeting on 18 May 2016. It provides a summary of the Committee's activities during the year to fulfil its responsibilities as set out in its terms of reference.

**Finance summary**

This report summarises the Committee's oversight of the Council's financial administration for the year 2015/16. However, the report does not seek decisions which will give rise to any direct capital or revenue financial implications.

**Recommendations**

**Corporate Committee**

To consider and agree the Committee's Annual Report for 2015/16 and recommend it to full Council for approval.

**Council**

That the 2015/16 Corporate Committee Annual Report be approved.

## **1. Context**

- 1.1 The Committee's terms of reference states that the Committee is required to: "approve, for submission to Council, an annual report of the activities of the Committee in discharging its various audit functions".

## **2. Proposal and Reasons**

- 2.1 The Corporate Committee Annual report for 2015/16 is set out in Appendices 1 and 2 and covers the work of the Committee for the year, along with details of the reports considered during the year.

- 2.2 The Committee's terms of reference, which was last reviewed and updated as part of the annual review of the Council's Constitution 2015-16 which was approved by Council on 15 April 2015, sets out its remit as the Council's Audit Committee which includes oversight of the following for areas where the Committee receives reports from officers and the Council's external auditor:

- Internal Audit and Investigation functions, including the consideration of strategies and policies, the annual assurance report, regular reports on completed work and performance of the Internal Audit and Counter Fraud Service;
- External Audit annual letter and related reports;
- Review the annual statement of accounts and accounting policies;
- Risk management arrangements;
- Corporate Governance arrangements;
- Annual Governance Statement;
- Whistle blowing arrangements;
- Bribery Act arrangements;
- Regulation of Investigatory Powers Act 2000; and,
- Referrals from other committees.

- 2.3 The Committee's terms of reference also include a number of non-audit responsibilities including the following where periodic reports are received and considered by the Committee:

- Approve the Council's statement of accounts;
- Approve the Council Tax base and the National Non-Domestic Rate base;
- Reports produced by the Chief Finance Officer;
- Reports on personnel-related issues and Health and safety at work;
- Adverse Local Government Ombudsman reports;
- Adverse Housing Ombudsman reports;
- Trustee of Trusts;
- Elections;
- Nominations for Freedom of the Borough;
- Orders for designated public places;

- Rush Common Act 1806; and,
- Naming of local streets and buildings.

2.4 During the municipal year 2015/16, the Corporate Committee met on:

- 9 July 2015;
- 24 September 2015;
- 3 December 2015;
- 28 January 2016; and,
- 14 April 2016.

### **3. Finance**

3.1 This report summarises the Committee's oversight of the Council's financial administration for the year 2015/16. However, the report does not seek decisions which will give rise to any direct capital or revenue financial implications.

### **4. Legal and Democracy**

4.1 Regulation 3 of the Accounts and Audit Regulations 2015 (which are made in exercise of the powers conferred by section 27 of the Audit Commission Act 1998(1) and section 134(6) of the Greater London Authority Act 1999(2)) sets out the Council's responsibility for ensuring that it has a sound system of internal control which:

- (a) facilitates the effective exercise of its functions and the achievement of its aims and objectives;
- (b) ensures that the financial and operational management of the authority is effective; and,
- (c) includes effective arrangements for the management of risk.

4.2 Regulation 5 requires the Council to ensure that it undertakes an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

4.3 There are no additional comments from Democratic Services.

### **5. Consultation and co-production**

5.1 All members of the Corporate Committee were consulted on this report and their comments have been incorporated into the report.

### **6. Risk management**

6.1 An ineffective audit committee could result in inadequate governance, risk and control arrangements remaining unchallenged, resulting in failure to meet the Council's objectives, increased risks of

fraud, waste or error and the potential for adverse criticism from the external auditor or other agencies.

**7. Equalities impact assessment**

7.1 None.

**8. Community safety**

8.1 None.

**9. Organisational implications**

9.1 Environmental

None.

9.2 Staffing and accommodation

None.

9.3 Procurement

None.

9.4 Health

None.

**10. Timetable for implementation**

N/A

<b>Audit trail</b>				
<b>Consultation</b>				
<b>Name/Position</b>	<b>Lambeth directorate/division or partner</b>	<b>Date Sent</b>	<b>Date Received</b>	<b>Comments in para:</b>
Councillor A Garden	Chair, Corporate Committee	02.04.16	03.04.16	Throughout
Councillor N Sabharwal	Vice-Chair, Corporate Committee	02.04.16	05.04.16	
Councillor M Atkins	Member, Corporate Committee	02.04.16		
Councillor I Simpson	Member, Corporate Committee	02.04.16		
Councillor T Briggs	Member, Corporate Committee	02.04.16		
Councillor P McGlone	Deputy Leader for Finance and Investment	02.04.16		
Jackie Belton, Strategic Director	Corporate Resources	02.04.16		
Christina Thompson, Director	Finance	02.04.16	04.04.16	
Alison McKane, Head of Legal Services	Corporate Resources	02.04.16	05.04.16	4
Maria Burton, Democratic Services	Corporate Affairs	02.04.16	04.04.16	
Martin Crump	Finance: Financial Planning & Management	02.04.16	04.04.16	3

<b>Report history</b>	
<b>Original discussion with Cabinet Member</b>	n/a
<b>Report deadline</b>	02.04.16
<b>Date final report sent</b>	
<b>Report no.</b>	/15-16
<b>Part II Exempt from Disclosure/confidential accompanying report?</b>	No
<b>Key decision report</b>	No
<b>Date first appeared on forward plan</b>	Not applicable
<b>Key decision reasons</b>	Not a key decision
<b>Background information</b>	<a href="#">Agendas and Minutes of the meetings of Corporate Committee in 2015/16</a>
<b>Appendices</b>	<ol style="list-style-type: none"> <li>1. Corporate Committee Annual Report, 2015/16</li> <li>2. Schedule of reports considered by Corporate Committee during 2015/16</li> </ol>