

	Finance and Audit Scrutiny Committee - 9 th June 2009	Agenda Item No. <div style="text-align: right; font-size: 2em;">8</div>
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Title	Process for the approval of the Statement of Accounts
For further information about this report please contact	Mike Snow (01926) 456800 Mike.snow@warwickdc.gov.uk
Service Area	Finance
Wards of the District directly affected	None specifically
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No
Date and meeting when issue was last considered and relevant minute number	Council June 2008
Background Papers	None

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No

Officer/Councillor Approval

With regard to officer approval all reports must be approved by the report authors relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).

Officer Approval	Date	Name
Relevant Director	26/5/09	Andy Jones
Chief Executive		
CMT		
Section 151 Officer	26/5/09	Mike Snow
Legal	26/5/09	Peter Oliver
Finance	26/5/09	Mike Snow
Portfolio Holder(s)	26/5/09	Councillor Andrew Mobbs

Consultation Undertaken

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Final Decision?	Yes/No
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Suggested next steps (if not final decision please set out below)
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1. **SUMMARY**

- 1.1 This report explains the proposals for the approval and consideration of the Council's Statement of Accounts, and the reasons behind that.

2. **RECOMMENDATION**

- 2.1 The Committee notes the arrangements for the consideration and approval of the Statement of Accounts.

3. **REASONS FOR THE RECOMMENDATION**

- 3.1 The Council's Statement of Accounts have in recent years been approved by full Council, for which it has normally been necessary to arrange a special meeting to ensure the statutory deadline for their approval of 30 June is met.
- 3.2 The Accounts and Audit Regulations 2003 state that the accounts may be approved to a full committee with delegated power to approve them. The accounts may not be approved by a sub-committee nor by the Cabinet or Scrutiny Committee.
- 3.3 It is recognised that whilst the Council's arrangements enabled the accounts to be correctly approved, it did not enable any degree of consideration of the detail or scrutiny thereof.
- 3.4 The proposed amendments to the Constitution in April, suggested that responsibility for approval of the Statement of Accounts should be given to the new Finance and Audit Committee.
- 3.5 As the new Committee is to retain a scrutiny role, and the word "scrutiny" in the title, further consideration has confirmed that it will not be possible for the Finance and Audit Scrutiny to approve the Statement of Accounts.
- 3.6 Approval arrangements of other local authorities have been considered. Some have a special Accounts Committee that meets specifically to consider and approve the accounts. However, many still rely on full council continuing to approve the accounts.
- 3.7 The research undertaken also confirmed that in most cases, prior to the approval of the accounts by council, the accounts would be subject to consideration and scrutiny by another committee. That committee would then recommend the accounts for approval.
- 3.8 Based on the for-going, the arrangements have been put in place for the Council to continue to approve the Statement of Accounts, and also for the Finance and Audit Scrutiny Committee to consider and recommend the accounts for approval beforehand. It is felt that this arrangement will continue to ensure that the accounts are correctly approved and will enable their more detailed consideration by members.

4. **ALTERNATIVE OPTION CONSIDERED**

- 4.1 The Council may set up a special accounts committee to consider and approve the Statements of Accounts. However, as it was felt best for any detailed consideration

of the accounts to be done by the Finance and Audit Scrutiny Committee, who have responsibility for overseeing and scrutinising the Council's financial arrangements, this option was not recommended.

5. **BUDGETARY FRAMEWORK**

- 5.1 The change in arrangements for approving the Statement of Accounts will not have any additional resource implications.

6. **POLICY FRAMEWORK**

- 6.1 By putting in place arrangements for greater consideration by members of the accounts, the Council is acting in accordance with its Values by being open and transparent. It is also striving to ensure it is managing its resources effectively and ensure its services are of a high quality.