

AUDIT COMMITTEE
Tuesday, 14th April 2015

PRESENT – *Councillor Sidat, (in the Chair); Pearson, Kay and Browne.*

APOLOGIES – *Councillor Riley and Khonat.*

ALSO PRESENT

Karen Murray	– District Auditor
Chris Wittingham	– Grant Thornton (District Auditor)
Louise Mattinson	– Director for Finance and IT
Colin Ferguson	– Head of Audit and Assurance
John Addison	– Principal Scrutiny Officer

RESOLUTIONS

31 Minutes of the meetings held on 14th January 2014

The minutes of the meeting held on 14th January 2014 were agreed as a correct record.

32 Declarations of interest

There were no declarations of interest.

33 External Audit Update Report

The Council's External Auditors provided the Committee with a report on the current position of their work as of April 2015. The report outlined in detail work that had been undertaken and a timetable of work to be undertaken during the rest of the financial/municipal year.

The report also provided Members with a summary of emerging national issues/developments that may be relevant to the Council, it also highlighted a number of challenge questions in respect of those emerging issues which the Committee may wish to consider.

RESOLVED:

That the report on External Audit's progress report be noted.

34 External Audit Plan for 2014/15

The Council's External Auditors provided the Audit Committee with their Audit Plan for 2014/2015. The report provided Members with the response of the External Auditors to the challenges, opportunities and developments facing the Council.

The report also covered the audit approach, risks identified and a value for money conclusion. It was noted that one of the key risks identified was around welfare expenditure.

RESOLVED:

That the External Audit Plan be noted.

35 External Audit Certification Report

The Council's External Auditors presented to the Committee the External Audit Certification report on the audit of grants for 2013/2014 for formal approval by the Committee.

RESOLVED:

That the External Audit Certification report be noted.

36 Treasury Management Report – December 2014 to February 2015

The Director for Finance and IT provided Members with a report on the Council's Treasury Management function for the period December 2014 to February 2015.

The report summarised the interest rate for the quarter, borrowing and lending transactions undertaken and the Council's overall debt position. It also reported on the position against the Prudential Indicators established by the Council.

RESOLVED

That the Committee note the report.

37 Audit & Assurance – Progress & Outcomes to February 2015

The Head of Audit and Assurance submitted a report which updated the Committee on progress and outcomes against the Audit & Assurance Plan 2014/15 in terms of outcomes achieved for the period dated the 1st December 2014 to 28th February 2015.

The report focused on a number of key areas in Audit & Assurance, in particular:

- Counter Fraud;
- Risk and Corporate Governance;
- Our Lady and St John RC High School;
- And a number of internal reviews.

RESOLVED:

That the Committee note the outcomes achieved to 28th February 2015 against the Audit & Assurance Plan, which was approved by Committee in April 2014.

38 Audit & Assurance Plan 2015/16

The Head of Audit and Assurance informed Members of the planned Audit & Assurance work for the new financial year and that no changes to the Internal Audit Charter would be made for 2015/2016.

Members were reminded that the Audit & Assurance Plan defined the scope and reasoning behind the approach that had been adopted. Overall, the objectives were:

- to fulfil Audit & Assurance's own statutory obligations;
- to provide assurance, support and advice to Directors on matters under their control;
- to support the Section 151 Officer's statutory obligations;
- to assist the Audit Committee in gaining independence assurance on the Council's risk management, governance and control arrangements;
- to report compliance with the Public Sector Internal Audit Standards (PSIAS); and
- to contribute, as part of the Resources & Transformation Directorate, to the development of corporate standards.

It was noted that the plan was, as in previous years, risk-based and the audit methodology was essentially risk-based auditing.

It was reported that the Internal Audit Charter was a requirement of the Public Sector Internal Audit standards, which became mandatory from 1st April 2013. It was noted that no changes to the existing charter were deemed necessary for 2015/16.

RESOLVED:

1) That the Committee:

- Approve the 2015/16 Plan (as set out in Appendices A and B)
- Note that reports dealing with both progress against the Plan and outcomes achieved will be submitted to each meeting
- To note that Plan changes will be reported during the year.

39 Risk Management – 2014/15 Quarter 3 Review

The Head of Audit and Assurance provided the Committee with a report that detailed risk management activity that had taken place within the Borough/Council since January 2015

Members were reminded that the Council recognised that risk management was not simply a compliance issue, but rather a way of viewing its operations with a significant impact on long-term viability. It was noted that risk management helped to demonstrate openness, integrity and accountability in all of the Council's activities.

The Audit & Assurance Manager informed the Committee of the currently the top corporate risks as follows:

Risk Ref No.	Risk Summary	Risk Owner
01	Adequacy of Resources	Denise Park
15	High profile serious/critical safeguarding incident/case that is known to Council services.	Mclvor/Clegg

RESOLVED:

That the Audit Committee re-affirm their support for the Council's approach to Risk Management and to note progress made on the Corporate Risk Register as at Quarter 3 2014/15.

Signed
Chair of the meeting at which the Minutes were signed
Date