

AUDIT SUB-COMMITTEE

25th September 2013

PRESENT:-

Conservative Group

Councillor Harrison (Chairman), Councillor Ford (Vice-Chairman) and Hood.

Labour Group

Councillors Dunn and Shepherd.

AS/8. **MINUTES**

The Open Minutes of the Meeting held on 19th June 2013 were submitted. The Minutes were approved as a true record and signed by the Chairman.

MATTERS DELEGATED TO SUB-COMMITTEE

AS/9. **ANNUAL REPORT TO THOSE CHARGED WITH GOVERNANCE**

Grant Thornton, the Council's appointed auditors presented their statutory Annual Report on the Council's accounts and financial statements for 2012/13. The Sub-Committee was requested to consider the report and its recommendations, together with the proposed management responses. Tony Parks of Grant Thornton took Members through the circulated document. It provided details on the Audit of the Council's annual accounts, financial statements and financial systems for 2012/13. Consequently it provided an opinion on the accounts. It was noted that this report would also be presented to the Finance and Management Committee for formal adoption and publication.

In addition, the report assessed overall value for money arrangements at the Council and provided the Auditor's opinion on whether value for money was provided. Finally, at the end of the Audit, the Council was required to provide a letter of representation. This required the Council's Chief Finance (Section 151) Officer to provide assurances about the status of the accounts and financial statements. Essentially, it confirmed that there were no material issues or transactions known, other than those already reported and disclosed that could materially affect the accounts for 2012/13.

As a result of the assessment, it was confirmed that the auditors would be able to issue an unqualified opinion on the accounts. There were no matters arising and no significant control issues were identified.

The Auditor praised the work of the Head of Service and his staff and thanked the officers for their co-operation.

The Committee welcomed the report and:

RESOLVED:-

- (1) That the report be approved; and***
- (2) That having considered the report, the Sub-Committee is satisfied that there are no specific matters that prevent the formal adoption of the Financial Statements.***

AS/10. **INTERNAL AUDIT – QUARTERLY PROGRESS REPORT**

A progress report was provided detailing performance and activity of Internal Audit between 1st June and 31st August 2013. Adrian Manifold of the Central Midlands Audit Partnership took Members through the circulated document. This comprised a summary, details of the audit coverage, audit performance and recommendation tracking. The Officer highlighted particular sections of the report and responded to Members' questions. He identified a number of low risk issues but confirmed that there were no serious matters of concern.

It was stated that the audit performance was on target for the year.

Finally, Members discussed recommendation tracking, and noted a new recommendation regarding Council Tax.

RESOLVED:-

That the report of the Audit Manager is received with thanks.

AS/11. **PUBLICSECTOR INTERNAL AUDIT STANDARDS-COMPLIANCE**

A report was submitted by Richard Boneham of the Central Midlands Audit Partnership to provide the Sub-Committee with a self-assessment of conformance with the new Public Sector Internal Audit Standards which came into effect on 1st April 2013.

The report outlined the man changes to the regime and contained a detailed appendix setting out how the new system works.

Members commented that they found the new system to be very comprehensive and:

RESOLVED:-

That the report be noted.

J. HARRISON

CHAIRMAN

The Meeting terminated at 4.20 p.m.

AUDIT SUB-COMMITTEE

18th December 2013

PRESENT:-

Conservative Group

Councillor Harrison (Chairman), Councillor Mrs. Hood.

Labour Group

Councillor Dunn

AS/12. **APOLOGIES**

Apologies for absence from the Meeting were received from Councillors Ford (Vice-Chairman) (Conservative Group) and Shepherd (Labour Group)

MATTERS DELEGATED TO SUB-COMMITTEE

AS/13. **INTERNAL AUDIT – QUARTERLY PROGRESS REPORT**

A progress report was provided detailing the performance and activity of Internal Audit between between 1st September 2013 and 30th November 2013.

Members expressed concern that some items on the progress report appeared to be behind target. Adrian Manifold confirmed that all actions were expected to be completed.

The Officer responded to further questions from Members and gave an explanation on the new system of ranking risks from low to critical.

Members queried why the Leisure Management Contract had not yet been completed. The Director of Finance and Corporate Services responded that there were a few issues still to be resolved, therefore the finalisation of the contract had been postponed until the 31st January 2014. It was requested that a report be sent back to Audit Sub Committee if the contract had not been completed by this date.

RESOLVED:-

That the report of the Audit Manager be received.

AS/14. **PUBLIC SECTOR INTERNAL AUDIT STANDARDS – PROPOSED AUDIT CHARTER**

A report was submitted by The Central Midlands Audit Partnership on the proposed Audit Charter.

In accordance with the Public Sector Audit Partnership, which came into force on 1st April 2013, the report set out the proposed charter. It was noted that the report was presented to the Partnership Board earlier in December.

Members asked questions on the whistle blowing policy and further information was provided.

RESOLVED:-

That the report be noted.

AS/15. **PUBLIC SECTOR INTERNAL AUDIT STANDARDS - QUALITY ASSURANCE & IMPROVEMENT PROGRAMME**

A report was submitted by The Central Midlands Audit Partnership to provide the Sub-Committee with information on a new Quality Assurance and Improvement Programme for internal audit in accordance with the Public Sector Audit Standards that came into force on 1st April 2013.

The report outlined the main changes to the regime and contained information that set out how the new system worked.

RESOLVED:-

That the report be noted.

AS/16. **LOCAL CODE OF CORPORATE GOVERNANCE – REVIEW OF WORK PLAN 2013/14**

A report was submitted by the Monitoring Officer to give Members a 6 monthly update on progress associated with updating and strengthening the Councils Corporate Governance arrangements.

Members discussed the on-going review of Member training and development.

RESOLVED:-

That the report be noted.

J. HARRISON

CHAIRMAN

The Meeting terminated at 5.05 p.m.