

Minutes

Audit Committee Wednesday, 24th January, 2018

Attendance

Cllr McCheyne (Chair)	Cllr Mrs Hones
Cllr Ms Rowlands (Vice-Chair)	Cllr Keeble
Cllr Mrs Fulcher	Cllr Reed
Cllr Hirst	Cllr Russell

Apologies

Cllr Chilvers

Also Present

Cllr Hossack

Officers Present

Zoey Foakes	-	Governance & Member Support Officer
Angela Mason-Bell	-	Ernst & Young, Manager, Public Sector
Sue White	-	Risk and Insurance Officer
Kim Anderson	-	Partnership, Leisure and Funding Manager
Phoebe Barnes	-	Principal Accountant
Alistair Greer	-	Principal Accountant
Debbie Hanson	-	Ernst & Young, External Audit
Philip Ruck	-	Chief Executive
Steve Summers	-	Chief Operating Officer

244. Apologies for Absence

Apologies were received from Cllr Chilvers.

245. Minutes of the Previous Meeting

The minutes of the meeting held on 27 September 2017 were approved as a true record.

246. Annual Audit Letter 2016/17

This report presents the Committee with the Annual Audit Letter issued by the external auditors, Ernst & Young, following the completion of the audit of the 2016/17 accounts.

The purpose of the Annual Audit Letter was to communicate to members and to the public and other stakeholders, the key issues arising from the audit of the accounts, which the external auditors considered should be brought to the attention of the Council.

The Annual Letter contains the following sections:

- a) Executive Summary – result of the 2016/17 audit process
- b) Responsibilities – of the Appointed Auditors and the Council
- c) Financial Statements Audit – key issues identified as part of the audit
- d) Value for Money – arrangements put in place by the Council to secure value for money
- e) Other reporting issues

Mr Ruck thanked the work of the officers involved to get everything in order.

A motion was **MOVED** by Cllr McCheyne and **SECONDED** by Cllr Rowlands to approve the recommendations in the report.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY** that:

It is recommended that the contents of the Annual Audit Letter are noted.

Reasons for Recommendation

A system of sound financial control and governance arrangements underpins all of the services and priorities of the Council.

247. Variation in the order of the Agenda

The chair proposed and it was agreed to move Item 4 – Internal Audit Progress Report – to the end of the agenda.

248. Strategic and Operational Risk Review

The report updated members of the Audit Committee on the status of the Council's 2017/18 Strategic Risk Register and the progress being made across Services in delivering Operational Risk Registers.

A motion was **MOVED** by Cllr McCheyne and **SECONDED** by Cllr Rowlands to approve the recommendations in the report.

A vote was taken by a show of hands and it was **RESOLVED** that:

1. To agree the amendments to the Strategic Risk Register, as shown in Appendix A, and that the risk scores recorded for each risk accurately represents the current status of each risk.
2. To agree the risk exposure changes and the new risk, as shown in Appendix B, to the Operational Risks

Reasons for Recommendation

Risk Management continues to be embedded quarterly within the Senior Management Team reports, where Service Heads discuss the top-level risks for their service areas to ensure that the risks are updated to reflect the ongoing changes.

In addition, the Risk & Insurance Officer will continue to work with risk managers to maintain the good progress to date and further develop a consistent application of risk management considerations across all operations of the Council.

249. Internal Audit Progress Report

The report was intended to inform the Audit Committee of progress made against the approved internal audit plan for 2017/18, which was approved by the Audit and Scrutiny Committee in March 2017.

The following reports had been finalised since the last Committee, and a summary of the findings was included in the progress report:

- Housing Services (Limited / Moderate Assurance)
- Financial Management (Moderate / Substantial Assurance)
- Minimum Reserve Levels (Substantial / Moderate Assurance)
- Partnerships (Moderate / Limited Assurance)

The full reports were available on request.

Cllrs queried the IT issues that had an effect on the Housing Department. Officers assured members that there was a review on IT support and extra resources would be put in place using more sustainable shared expertise.

Questions were raised on the Partnerships which members expressed there was little guidance within the constitution.

A motion was **MOVED** by Cllr McCheyne and **SECONDED** by Cllr Rowlands to approve the recommendations in the report.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY** that:

That the Committee receives and notes the contents of the reports.

Reasons for Recommendation

To monitor the progress of work against the internal audit plan, and highlight recommendations arising from the work of internal audit and management's actions in response to those recommendations.

250. Urgent Business

There were no items of urgent business.

To meeting concluded at 19.40.