

**Minutes of the Audit Committee
29 September 2016**

Present:
Councillor M.J. Madams (Chairman)

Councillors:

S.A. Dunn	H.A. Thomson
D. Saliagopoulos	H.R.D. Williams

Apologies: Councillors T.J.M. Evans

In attendance:

217/16 Minutes

The minutes of the meeting held on 7 July 2016 were approved as a correct record.

218/16 Disclosures of Interest

There were none.

219/16 External Audit report on Audit and Statement of Accounts

The Deputy Chief Executive reported that external auditors appointed by the Audit Commission, KPMG, were required, in accordance with international auditing standards and statutory requirements, to report annually to the Council on:

- Their opinion on the Council's Statement of Accounts
- Any uncorrected items in the Statement of Accounts
- Qualitative aspects of the Council's accounting practices and financial reporting
- The Annual Governance Statement
- Their annual Value for Money conclusion

They also reported annually on their audit of the Council's accounting and internal control systems.

Neil Hewitson, on behalf of KPMG, presented the report and responded to members' questions. He concluded that the Council had made proper arrangements to secure economy, efficiency and effectiveness in its use of resources and therefore was an unqualified, positive audit in relation to (a). The Financial Statement and (b). Value for Money (VFM). It was also noted by KPMG that there was still one recommendation outstanding from their 2014-15 report. This was in relation to.....

The external auditor gave a positive overall conclusion and stated that this was a testament to the work of the Accountancy and Audit teams of the Council.

Resolved that:

- 1) The Audit Committee is asked to note the External Auditor's 2015/16 audit report (Appendix A). That the Chief Finance Officer sign the letter of representation (as attached to appendix 4 of the Auditors' report).
- 2) That the Chief Finance Officer and Chairman of the Committee sign the statement of accounts.
- 3) That the Audit Committee notes the draft officer responses to the recommendations made in Appendix 1 of the Auditors' report.

220/16 Corporate Risk Register (CRR)

The Internal Audit Manager reported that the Corporate Risk Register had undergone its regular quarterly review and update by the Corporate Risk Management Group and Management Team to ensure that actions were being taken to deal with the identified risks. The revised register was considered to be an accurate reflection of the high level risks affecting the Authority. Progress on actions was documented on the register.

The Internal Audit Manager drew members' attention to the risks associated with staffing resources (items 11 and 12) and potential office relocation from Knowle Green.

221/16 Internal Audit Interim Report

The Internal Audit Manager presented her report which summarised the work undertaken by Audit Services during the period April 2016 to August 2016 and provided the Council with assurance on the adequacy of its internal audit systems of control.

222/16 Report on The Effectiveness of the System of Internal Audit

The Internal Audit Manager presented her report on the effectiveness of the system of internal audit. She referred to various performance indicators used to assess the system of internal audit including the Service Plan, Audit Plan, professional standards, external audit reliance and achievements in 2015/16.

223/16 Annual Governance Statement

The Chief Finance Officer presented his report and outlined the content of the Annual Governance Statement (AGS) 2015-16. The Statement reviewed arrangements for corporate governance and internal control as required by the Accounts and Audit Regulations 2006.

Resolved that the draft Annual Governance Statement at Appendix 1 to the report of the Chief Finance Officer be approved and that the improvement actions identified in the Statement be endorsed.

224/16 Committee Work Programme

The Committee considered its Work Programme for the remainder of the 2016-2017 Municipal year.

Resolved that the Committee Work Programme for the remainder of the 2016-2017 Municipal year, be approved.