PRESENT

MEMBERS

Councillor Jean Cunningham, in the Chair.

Councillors Paul Campbell, Joanne Greenwood, Tony Harrison, Mathew Isherwood, Margaret Lishman, Ann Royle and Andy Tatchell.

OFFICERS

Phil Moore - Head of Finance & Property Management
Ian Evenett - Internal Audit Manager
Nadeem Ukadia - Senior Auditor
Imelda Grady - Democracy Officer
Alison McEwan - Democracy Officer

CO-OPTED MEMBERS

Louise Gaskell
Gill Smith (Parish Councillor)

ALSO IN ATTENDANCE

Marianne Dixon - Grant Thornton

1. Apologies

None received

2. Minutes

IT WAS AGREED That the Minutes of the Audit Committee meeting held on 11th March 2015, and the Minutes of the Standards Committee meeting held on 23rd March 2015 are agreed as a correct record and signed by the Chair.

3. Annual Governance Statement 2014-15
Nadeem Ukadia presented a report on the Annual Governance Statement, the production of which is a statutory requirement.

He highlighted that the Statement is produced using guidance from CIPFA (Chartered Institute of Public Finance and Accountancy) and SOLACE (Society of Local Authority Chief Executives).

He highlighted that no significant issues had been found, and also a new section ‘Focus for 2015/16’ had been included, to recognise two key areas of ongoing work – the strategic partner procurement exercise and review of business continuity.

**IT WAS AGREED**

That the Annual Governance Statement 2014/15 be approved.

4. **Annual Accounts 2014/15 Update**

Phil Moore presented a report on the final accounts position, and the production of the 2014/15 Statement of Accounts.

The 2014/15 Statement of Accounts had been signed off, and would be published on the Council’s website on Thursday 25th June. A notice was due to appear in the local press to advise members of the public of the inspection period.

Phil Moore proposed to hold a Final Accounts Workshop for members on 26th August 2015.

**IT WAS AGREED**

1. That the report be noted.
2. That the date for the Final Accounts Workshop be confirmed as 26th August 2015.

5. **External Audit Progress Report and Emerging Issues**

Marianne Dixon presented the Grant Thornton update on audit work for 2014/15 and reported that activities were progressing to plan.

The interim accounts audit has been completed with no issues identified that needed to be brought to the Committee.

The final accounts audit will take place in a 2 or 3 week period in August, and be presented to Committee in September.

Audit work related to external grant funding has been completed.
6. **Grant Thornton Planned Audit fee for 2015/16**

Marianne Dixon explained the Planned Audit Fee for 2015/16 was £50,567, a saving of circa £16,000 on the 2014/15 figure. This was due to smarter procurement following the closure of the Audit Commission, and would give the same resource as previously.

The Committee discussed the following:

- Certification of external grant schemes, which falls outside the remit of the audit work. The additional cost to the Council will be £6,732.

IT WAS AGREED That the Planned Audit Fee for 2015/16 be noted.

7. **Internal Audit Charter and Plan 2015/16 and Internal Audit Charter**

Phil Moore explained the function of the Audit Charter and Plan for 2015/16.

The proposed plan of Internal Audit work for 2015/16 was presented to the Committee, showing the focus of work, and expected number of days to be spent in each area.

IT WAS AGREED

1. That the Internal Audit Charter be noted.
2. That the Internal Audit Plan for 2015/16 be approved.

8. **Internal Audit Opinion 2014/15**

Phil Moore submitted a report on Internal Controls within the Council. It outlined his opinion as Head of Finance and Property Management, that the controls within the Council continue to operate effectively. Where weaknesses had been identified, these had been addressed as part of an Action Plan, and were subject to ongoing monitoring.

The report outlined Performance against the Audit Plan, and highlighted an issue related to higher than planned staff absence, which had reduced coverage from the planned 24 reports to 23.
The Committee discussed the following:

- Whether there was an issue related to staff attendance. It was felt that most of the issues related to the introduction of the new time recording system, and these had been addressed.
- The achievement of the Team given fewer work days being available across the Unit, and a much higher than expected amount of investigation work being needed.

**IT WAS AGREED**

That the report be noted.


Ian Evenett provided a report which explored the compliance with the Public Sector Internal Audit Standard. This review is completed annually internally, but is reviewed externally every five years.

Of the 334 identified requirements to evidence compliance with the code, 11 were not applicable. The assessment indicated that 320 of the remaining 323 were in compliance.

One outstanding action has now been brought into compliance with the update of the Audit Manual. The remaining two requirements will be completed following a review of the PDR process for the Chief Audit Executive.

**IT WAS AGREED**

That the report be noted.

10. **Standards Annual Newsletter**

Imelda Grady introduced the Annual Newsletter, and explained that following the introduction of the new Standards regime, most complaints were filtered out and resolved early in the process.

The Committee discussed why there appeared to be outstanding complaints/investigations from 2013/14. It was agreed to report back to the Committee on this.

**IT WAS AGREED**

That the newsletter be noted.

11. **Member Complaint Statistics March 2015 to May 2015**

Imelda Grady introduced a report which explained that one complaint had been received during March - May 2015. This was currently undergoing the Assessment Procedure.
IT WAS AGREED That the report be noted.

12. Work Programme 2015/16

The Work Plan for 2015/16 was outlined.

IT WAS AGREED That the Work Plan be agreed, with the addition of

- Annual Governance Plan to the Agenda (September Meeting)