

**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE,  
HELD ON THURSDAY 21 SEPTEMBER 2017 AT 7.30 PM  
IN THE COUNCIL CHAMBER, COUNCIL OFFICES, THORPE ROAD, WEELEY**

<b>Present:</b>	Councillors Coley (Chairman), Poonian (Vice-Chairman), Alexander and Hones (except items 9 – 11)
<b>In Attendance:</b>	Richard Barrett (Head of Finance, Revenues and Benefits Services), Clare Lewis (Fraud and Risk Manager), Craig Clawson (Principal Auditor) and Katie Sullivan (Committee Services Officer)
<b>Also In Attendance:</b>	Kevin Sulter (Executive Director – Ernest & Young) and Chris Hewitt (Audit Manager– Ernest & Young)

**9. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS**

There were none.

Councillor Scott had emailed his apologies prior to the meeting, however, that email had not been seen until the following day.

**10. MINUTES OF THE LAST MEETING**

The minutes of the meeting of the Committee held on 22 June 2017 were approved as a correct record and signed by the Chairman.

**11. DECLARATIONS OF INTEREST**

There were none.

**12. REPORT OF THE AUDIT AND GOVERNANCE MANAGER - A.1 - REPORT ON INTERNAL AUDIT - JUNE 2017 TO AUGUST 2017**

The Committee had before them a periodic report (A.1) on the Internal Audit function for the period of June 2017 to August 2017.

It was reported that action had been completed to address a number of issues which had been raised in the Quality Assurance and Improvement Programme that had been reported at the previous meeting of the Committee.

The Council's Principal Auditor (Craig Clawson) informed the Committee that six audits had been completed in the period with Substantial or Adequate Assurance being achieved in four instances. The results of the remaining two audits had been addressed by circulation of the issues to Senior Managers with guidance regarding Constitutional requirements, it had been identified that further and more detailed work was required to be undertaken before opinions could be fairly formed and that this work was due to be undertaken shortly.

The Principal Auditor also informed the Committee of the current position in relation to:

- (i) Public Sector Internal Audit Standards;
- (ii) Independence of the Internal Audit Activity;

- (iii) Internal Audit Plan Progress;
- (iv) Quality Assurance;
- (v) Outcomes of Internal Audit Work;
- (vi) Procurement – Order Process Compliance;
- (vii) Management Response to Risk; and
- (viii) Management response to Internal Audit Reports.

Following discussion and questions by Members, it was:

**RESOLVED** that the contents of the report be noted.

**13. REPORT OF THE CORPORATE DIRECTOR (CORPORATE SERVICES) - A.2 - AUDIT RESULTS REPORT 2016/17**

The Committee had before them a report (A.2) which had presented the following:

- The External Auditor's Audit Results Report for the year ending 31 March 2017, and Letter of Representation for Members' consideration and approval in order to enable a final opinion on the accounts and value for money arrangements to be formally issued by the External Auditor;
- The Statement of Accounts 2016/17 for Members' consideration and approval for publication by the end of September 2017; and
- A revised Annual Governance Statement 2016/17 for Members' approval.

Ernest and Young's Executive Director (Kevin Suter) went through various sections of the report.

The Council's Head of Finance, Revenues and Benefits Services responded to questions raised by Members.

Following discussion, it was **RESOLVED**:

1. That in respect of the Audit Results Report for the year ended 31 March 2017, the Audit Committee:
  - (a) Considers and notes the contents of the report including the adjustments to the Statement of Accounts 2016/17 as set out on page 21 of that report;
  - (b) subject to (a) above, approves the management representation letter set out as Appendix D to the External Auditors Audit Results Report 2016/17;
  - (c) subject to (b) above, authorises the Head of Finance, Revenues and Benefits and Audit Committee Chairman or Vice Chairman to sign the management representation letter for forwarding to the External Auditor;
  - (d) subject to (b) and (c) above, approves for publication the audited Statement of Accounts for 2016/17, amended for the adjusted items identified; and
  - (e) approves a delegation to the Head of Finance, Revenues and Benefits in

consultation with the Chairman or Vice Chairman of the Audit Committee to make amendments to the management representation letter for forwarding onto the External Auditor and / or Statement of Accounts 2016/17 before publication, if further changes are recommended by the External Auditor following the completion of the outstanding areas of their work.

2. That in respect of the Council's Annual Governance Statement 2016/17, the Audit Committee:

(a) approves the revised Annual Governance Statement set out in Appendix A; and

(b) authorises, subject to 2(a) above, the Chief Executive and Leader of the Council to sign the Annual Governance Statement set out in Appendix A.

**14. REPORT OF THE CORPORATE DIRECTOR (CORPORATE SERVICES) - A.3 - TABLE OF OUTSTANDING ISSUES**

The Committee had before them a report (A.3) which presented the progress against outstanding actions identified by the Committee.

It was reported that the Table of Outstanding Issues had been reviewed and updated since it was last considered at the previous meeting of the Committee.

It was further reported that there were no significant issues to bring to the attention of the Committee, with updates provided against individual items, as set out in Appendix A to the report, or elsewhere on the agenda where appropriate.

Updates against actions identified within the latest Annual Governance Statement were set out in Appendix B with no significant issues to highlight at the present time.

Following discussion, it was **RESOLVED** that the progress made against the outstanding issues be noted.

The meeting was declared closed at 8.15 pm

**Chairman**