



| Report of:                                                                                        | Meeting | Date             | Item No. |
|---------------------------------------------------------------------------------------------------|---------|------------------|----------|
| Cllr Lesley McKay<br>(Chairman of the<br>Audit Committee) and<br>Clare James (Head<br>of Finance) | Council | 7 September 2017 | 10       |

### Audit Committee: Periodic Report

#### 1. Purpose of report

- 1.1 To inform the Council of the current position on issues being dealt with by the Audit Committee.

#### 2. Audit Committee Meetings

- 2.1 Since the last Periodic Report, which was discussed at Full Council on 8 September 2016, the Audit Committee has met five times. A link to the website for further details on the reports and minutes is included here:

[http://www.wyre.gov.uk/site/scripts/meetings\\_committees.php?headerID=16](http://www.wyre.gov.uk/site/scripts/meetings_committees.php?headerID=16)

- 2.2 In summary, the following issues have been considered by the Committee:

At the 20 September 2016 meeting:

- Statement of Accounts 2015/16 (Post Audit)
- Management Representation Letter 2015/16
- Report to those charged with Governance (ISA 260) 2015/16
- Annual Review of the Council's Financial Regulations and Financial Procedure Rules
- Internal Audit Charter
- Annual Review of Internal Audit Charter
- Annual Review of the Risk Management Policy

At the 8 November 2016 meeting:

- Annual Review of Audit Committee's Performance
- Internal Audit and Risk Management – Progress Report

- Annual Review of Council's Counter Fraud Policies – Anti Fraud, Corruption and Bribery, Whistle Blowing, Anti Money Laundering, Gifts and Hospitality and Registering Interests
- Compliance with the Regulation of Investigatory Powers Act 2000 (RIPA)
- Annual Audit Letter from the Council's External Auditors in relation to 2015/16
- External Audit Appointments; - Letter confirming the appointment of the Council's External Auditors and the proposed Work Programme and Scales of Fees 2017/18

At the 7 March 2017 meeting:

- Review of Audit Committee's Terms of Reference
- Annual Internal Audit Plan 2017/18
- Risk Management Update
- Certification of Claims and Returns Annual Report 2015/16
- External Audit Plan 2016/17
- Periodic Private Discussion with Chief Internal Auditor

At the 20 June 2017 meeting:

- Election of Chairman
- Election of Vice Chairman
- Training in advance of the Committee considering the Statement of Accounts 2016/17
- Review of Effectiveness of Internal Audit
- Internal Audit Annual Report 2016/17
- Annual Governance Statement 2016/17
- External Audit Annual Audit Fee Letter 2017/18
- Items for information:- Work programme and scale of fees 2017/18
- Periodic Private Discussion with the External Auditor, KPMG

At the 25 July 2017 meeting:

- Statement of Accounts 2016/17 (Post Audit)
- Management Representation Letter 2016/17
- Report to those charged with Governance (ISA 260) 2016/17

**2.3** The next Audit Committee meeting is arranged for 19 September 2017, when we will be considering:

- National Fraud Initiative Exercise 2014/15  
Presentation by the Fraud & Compliance Manager
- Annual Review of Financial Regulations and Financial Procedure Rules
- Annual Review of Internal Audit Charter
- Compliance with the Regulation of Investigatory Powers (RIPA) 2000
- KPMG Technical Update – General Data Protection Regulations (GDPR).

### **3. Key Activities**

- 3.1** The three main documents considered by the Audit Committee annually are the Annual Governance Statement (AGS), the Statement of Accounts (SOA) and the Report to those charged with Governance (ISA 260). Each one has been considered in detail by the Committee in line with statutory deadlines.
- 3.2** With regard to the AGS, one significant governance issue was included in relation to information governance arrangements. This was highlighted in order to raise awareness of the forthcoming changes in legislation and their potential impact on the council's current information governance processes. An implementation plan is in place and progress is being made in relation to increasing resources and strengthening the measures in place to achieve compliance by May 2018.
- 3.3** The SOA (post audit) was approved by Audit Committee on the 25<sup>th</sup> July as a 'dry run' in line with the new statutory deadlines to be introduced next year. In the external auditor's ISA 260 report, KPMG gave an unqualified opinion of the accounts representing a 'clean bill of health'. They also considered whether the authority "had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people" and again issued an unqualified Value for Money opinion.

### **4. Comments and Questions**

- 4.1** In accordance with Procedure Rule 13.4, any Member of Council will be able to ask me a question or make a comment on the contents of my report or any issue, which falls within my area of responsibility. I will respond to any such questions or comments in accordance with Procedure Rules 13.6.