

WYRE FOREST DISTRICT COUNCIL

AUDIT COMMITTEE

**COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY,
KIDDERMINSTER**

24TH MARCH 2014 (6PM)

Present:

Councillors: E Davies (Chairman), C Brewer, P Dyke, D R Godwin, J Greener, M B Kelly, C Rogers and S J Williams.

Observers:

Councillor N J Desmond and Councillor J A Shaw.

AUD.31 Apologies for Absence

Apologies for absence were received from Councillors D C H McCann and J W Parish.

AUD.32 Appointment of Substitutes

Councillor C Brewer was appointed as a substitute for Councillor J W Parish. Councillor D R Godwin was appointed as a substitute for Councillor D C H McCann.

The Chairman welcomed Councillor S J Williams to the meeting who had been appointed to replace Councillor J Phillips on the Committee.

AUD.33 Declarations of Interests by Members

No declarations of interest were made.

AUD.34 Minutes

Agreed: The minutes of the meeting held on 2nd December 2013 be confirmed as a correct record of the meeting and signed by the Chairman.

AUD.35 Audit Update

The Committee received an update report from Gill Edwards, Grant Thornton on the progress made in delivering their responsibilities as the Council's external auditors.

Councillor D Godwin entered the meeting at this point, (6.03pm), Councillor N Desmond entered at 6.05pm.

Members were led through the report which also provided an update on the emerging national issues and developments. In response to a Members'

question regarding the changes to the public services pension scheme, the Chief Financial Officer agreed to circulate further information to Committee Members about the option for employees to reduce their contributions by 50% to receive 50% less benefit and any impact this would have on the Council's contribution rate.

Agreed:

- **The update be noted.**
- **The Chief Financial Officer to circulate further details of the 50/50 pension option to Members of the Committee.**

AUD.36 Fraud Report

The Committee received a powerpoint presentation, entitled Protecting the Public Purse Fraud Briefing, from Grant Thornton.

The Committee agreed this topic should be incorporated into the Induction training programme for all Members.

Agreed:

- **The presentation be noted.**
- **The Chief Financial Officer to incorporate this topic into the Members induction training programme.**

AUD.37 Informing the Audit Risk Assessment for Wyre Forest District Council

The Committee received a report from Grant Thornton on Informing the Audit Risk Assessment for the Council. Members were advised the report contributes towards the effective two-way communication between the external auditors and the Audit Committee.

Agreed: The update be noted.

AUD.38 Grant Certification Report

The Committee received the Grant Certificate report for 2012/2013 from Grant Thornton. Members were advised the external auditors had certified two claims and returns for the financial year relating to £67.75 million.

Agreed: The update be noted.

AUD.39 Grant Certification Plan Report

Members received the Grant Certification Work Plan from Grant Thornton for the year ended 31st March 2014.

Agreed: The report be noted.

AUD.40 Benchmarking Your Arrangements for Securing Financial Resilience

The Committee received a report from Grant Thornton on the benchmarking arrangements for securing financial resilience for the Council. Members considered the results and found the report to be very useful and informative.

Agreed: The report be noted.

AUD.41 The Indicative Audit Plan

Members considered a report from Grant Thornton on the Indicative Audit Plan. Gill Edwards led Members through the report and outlined the approach to the audit procedures.

Agreed: The report be noted.

Councillor J Shaw left the meeting at this point, (6.55pm).

AUD.42 Public Sector Internal Audit Standards 2013 - Internal Audit Charter

The Committee received a report from the Section 151 Officer which proposed the adoption of an Internal Audit Charter in compliance with the UK Public Sector Internal Audit Standards in place from April 2013.

Agreed: The Internal Audit Charter, as attached at Appendix 1 to the report to the Audit Committee, be approved.

AUD.43 Audit Section Review Update

The Committee received a report from the Chief Financial Officer which informed Members of the recent review of the Internal Audit Team and the decision not to join the Worcestershire Internal Audit Shared Service.

Decision: The Audit Committee considered and noted the recent review of the Internal Audit Team.

AUD.44 Internal Audit - Annual Audit Plan 2014 – 2015

The Committee considered a report from the S151 Officer which informed Members of the Internal Audit - Annual Audit Plan 2014-2015. The Principal Auditor led Members through the report and advised that the audit plans had been prepared in accordance with the Internal Audit Charter.

Agreed:

- **The Internal Audit - Annual Audit Plan 2014 - 2015, as attached as Appendix 1 to the Audit Committee report, be approved.**
- **Approval be given for the Section 151 Officer to amend the plan in consultation with the Principal Auditor in light of developments arising during the year as described in paragraph 3.7 of the report to the Audit Committee.**

AUD.45 Internal Audit Monitoring Report Quarter ended 31st December 2013.

The Committee received a report from the Section 151 Officer which informed Members of the Internal Audit Monitoring Report for the quarter 3.

Agreed: The Internal Audit Monitoring report for the Quarter ended 31st December 2013, as detailed in appendix 1 of the report to be Audit Committee, be noted.

AUD.46 Corporate Procurement Strategy

The Committee considered a report which proposed an updated Corporate Procurement Strategy which had been reviewed and linked to the Council's objectives.

Agreed: Recommend to Cabinet:

The Updated Corporate Procurement Strategy, as attached at Appendix 1 to the report to the Audit Committee, be approved.

AUD.47 Annual Governance Statement

The Committee received a report from the Chief Financial Officer on the current position in relation to the action plan which was developed to address the issues identified within 2012/13.

The Chief Financial Officer led Members through the report and gave a verbal update on the recovery of the Icelandic Bank investments.

Agreed: The progress against the Annual Governance Statement Action Plan 2012/13, as attached at Appendix 1 of the report to the Audit Committee, be approved.

AUD.48 Risk Management - Corporate Risk Register

The Committee received a report from the Chief Financial Officer which informed Members of the current Corporate Risk Register.

The Chief Financial Officer led Members through the report and advised that Grant Thornton had recognised the work the Council had achieved in this area.

Agreed: The Corporate Risk Register and the associated mitigating actions as at 31st December 2013 be noted.

There being no further business, the meeting ended at 7.25pm.