

Report of:	Meeting	Date	Item No.
Cllr Lesley McKay (Chairman of the Audit Committee) and Clare James (Head of Finance)	Council	6 September 2018	9

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 the Council meeting on 7 September 2017, the Audit Committee has met six times. A link to the website for further details on the reports and minutes is included here:
<https://wyre.moderngov.co.uk/ieListMeetings.aspx?CId=149&Year=0>

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

At the 19 September 2017 meeting:

- National Fraud Initiative Exercise 2014/15
- Annual Review of the Council's Financial Regulations and Financial Procedure Rules
- Annual Review of Internal Audit Charter
- Compliance with the Regulation of Investigatory Powers Act 2000
- KPMG Technical update: General Data Protection regulations (GDPR)

At the 21 November 2017 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

- Annual Audit Letter from the Council's External Auditors in relation to 2016/17

At the 13 March 2018 meeting:

- Review of Audit Committee's Terms of Reference
- Internal Audit Strategy and Audit Plan 2018/19
- Certification of Claims and Returns Annual Report 2016/17
- External Audit Plan 2017/18
- Housing and council tax benefit claim for year ended 31 March 2017
- Periodic Private Discussion with Chief Internal Auditor

At the 8 May 2018 meeting:

- Annual review of Internal Audit Charter
- Internal Audit Annual Report 2017/18
- External Audit annual audit fee 2018/19

At the 19 June 2018 meeting:

- Election of Chairman
- Election of Vice Chairman
- Training in advance of the Committee considering the draft Statement of Accounts 2017/18
- Peer Review of internal Audit: External Assessment
- Risk Management Policy: Annual Review
- Annual Governance Statement 2017/18
- Housing Benefit payments: sampling
- Periodic Private Discussion with the External Auditor, KPMG

At the 24 July 2018 meeting:

- Statement of Accounts 2017/8 (Post Audit)
- Management Representation Letter 2017/18
- Report to those charged with Governance (ISA 260) 2017/18

2.3 The next Audit Committee meeting is arranged for 13 November 2018, when we will be considering:

- Annual Review of Financial Regulations and Financial Procedure Rules
- Internal Audit and Risk Management – Progress Report
- Annual Review of the Audit Committee's Performance
- Annual Review of the Council's Counter Fraud Polices – Anti Fraud, Corruption and Bribery, Whistle Blowing, Anti Money Laundering, Gifts, Hospitality and Registering Interests
- Compliance with the Regulation of Investigatory Powers Act 2000
- Annual Audit Letter from the Council's External Auditors in relation to 2017/18

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, there were no significant governance issues which needed to be identified in the statement for 2018/19. Good progress is being made on the list of ongoing actions set out in the Action Plan included in the Statement. Regular reviews will continue to be made throughout the year.
- 3.3** The SOA (post audit) was approved by Audit Committee on the 24 July in compliance with new, earlier, statutory deadlines introduced this year. In the external auditor's ISA 260 report, KPMG concluded that 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. Only one low priority area for improvement was identified, relating to a more frequent reconciliation of rateable value information provided by the Valuation Office Agency with information in the council's Northgate business rates system. Arrangements have been put in place to implement that recommendation.

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.