

Minutes

of the Meeting of the

Audit Committee

Wednesday, 7th September 2016

held at the Town Hall, Weston-super-Mare, Somerset.

Meeting Commenced: 3.05 pm Meeting Concluded: 4.25pm

Councillors:

P Mary Blatchford (Chairman)
P David Jolley (Vice-Chairman)

P Bob Garner
P Marcia Pepperall
P Tony Roche
P Derek Mead
A Beverley Robertshaw

P: Present

A: Apologies for absence submitted

Also in attendance: Steve Ballard, Peter Barber, Gail Turner-Radcliffe (Grant Thornton)

Officers in attendance: Peter Cann (Audit West), Malcolm Coe (Corporate Services), Kathryn Morris (Corporate Services), Heather Sanders (Corporate Services), Melanie Watts (Corporate Services), Jeff Wring (Audit West)

AUD Declarations of Interest by Members (Agenda item 3)

1

None.

AUD Minutes of the Meeting held on 03 March 2016 (Agenda item 5)

2

A Member of the Committee pointed out a typographical error in Minute No. AUD 20 which suggested that Grant Thornton would audit the Council's financial statements in perpetuity.

Resolved: that subject to the amendment detailed above the minutes of the meeting be approved as a correct record.

AUD Matters referred by Council, Executive etc. (Agenda item 5)

3

None.

AUD Statement of Accounts 2015/16 (incorporating Audit Findings Report)

4

(Agenda item 6)

The Head of Finance and Property presented the report inviting the Committee to review the audited accounts prior to these being formally approved by the Council.

On behalf of the Committee the Chairman congratulated the Corporate Accountancy Team for presenting an excellent set of accounts. The Head of Finance and Property and the Corporate Accountancy Manager then responded to Members' questions and queries.

Representatives of Grant Thornton then presented the Audit Findings report and responded to queries on this. In respect of the internal control weaknesses identified in the external audit, including the re-valuation of land and buildings and, the inclusion of narrative descriptions on journal entries. Discussion confirmed the forums and arrangements in place for Members to challenge the budget, including three specific budget workshops made available to all Members in late 2015 and all Members having been invited to attend and challenge budget monitoring reports in public meetings of the Executive. With regard to the internal control issue of Member awareness of the Constitution it was felt that this finding related to a small sub-section of Members linked to a specific scrutiny panel.

Resolved:

- 1) that the matters raised in the Annual Governance Statement be noted;
- 2) that any adjustments to the financial statements set out in the external auditors' report be noted
- 3) that the letter of representation be approved;
- 4) that the response to the action plan be noted.

It was further,

Recommended to the Council:

- 1) that the Statement of Accounts for 2015/16 be approved;
- 2) that the Chairman of the Council and Chief Finance Officer sign the Council's Statement of Accounts for 2015/16 as representing a 'true and fair view' of the financial position of the Council as at 31 March 2016;
- 3) that the Leader of the Council and the Chief Executive Officer formally approve the Council's Annual Governance Statement as part of the financial statements and sign accordingly.

AUD 5 Treasury Management Out-turn 2015/16 (Agenda item 7)

The Head of Finance and Property presented a report outlining the Council's treasury management activities during 2015/16 and the prudential indicators for 2015/16. The Head of Finance and Property and the Corporate Accountancy Manager then responded to Members' questions.

Resolved:

- 1) that the council's performance in carrying out its treasury management activities in 2016 be noted; and
- 2) that the report be referred to the Executive for further consideration.

AUD 6 Procurement Options for External Audit (Agenda item 8)

The Head of Audit West presented his report outlining options available to the Council for the provision of external audit services. Noting that the existing contract would expire in April 2018 Members were generally supportive of the S.151 Officer and Head of Audit's recommendation to join a sector led procurement exercise under the auspices of Public Sector Audit Appointments Limited (PSAA), subject to the receipt of further information regarding the financial implications of this.

AUD 7 Audit Committee Annual Report 2015/16 (Agenda item 9)

The Chair presented her report. In relation to the work plan for 2016/17 (Paragraph 3) Members proposed additional items regarding (1) review of implementation of External Audit recommendations and (2) workshop/review of the effectiveness of the Council's contract arrangements, particularly as these relate to Transformation Programme initiatives, and whether these arrangements discharge the 'value for money' (VFM) obligations.

Resolved: that subject to the amendments to the forward work programme detailed above the Annual Report for 2015/16 be approved.

It was further,

Recommended to the Council: that the Audit Committee's Annual Report 2015/16 be received.

Chairman
