

WYRE FOREST DISTRICT COUNCIL

AUDIT COMMITTEE

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

18TH MARCH 2013 (6.00PM)

Present:

Councillors: D C H McCann (Chairman), M A Salter (Vice-Chairman), P Dyke, J A Hart, M B Kelly, N Knowles and C Rogers.

Observers:

Councillor H E Dyke.

AUD.29 Apologies for Absence

Apologies for absence were received from Councillor J W Parish.

AUD.30 Appointment of Substitutes

There were no appointments of substitutes.

AUD.31 Declarations of Interests by Members

No declarations of interest were made.

AUD.32 Minutes

Agreed: The minutes of the meeting held on 3rd December 2012 be confirmed as a correct record of the meeting and signed by the Chairman.

The Chairman announced a revised running order for the agenda in that the Human Resources element of agenda item no. 10 would be taken before agenda item no. 5.

AUD.33 Internal Audit Monitoring Report Quarter Ended 31st December 2012

The Committee received a verbal update from the Human Resources Officer on the progress of the Establishment report. Members were assured the report would be completed by 31st March 2013. The Chairman requested the report be circulated to Committee Members via email once the report had been signed off by the Corporate Management Team.

Agreed:

- **The update be noted.**
- **The Establishment Report would be circulated to Committee Members when completed.**

AUD.34 Communication with the Auditor Document

The Committee received a report from Grant Thornton which detailed the Auditing Standards – Communication with the Audit Committee for the Audit year 2012-2013.

Members were advised the purpose of the report was to ensure there was effective two-way communication between the Audit Committee, who were charged with governance, and the external auditor.

The Committee considered the series of questions and responses listed in the report. Following a question from a Member regarding the monitoring of revenue costs for large projects undertaken by the Council, the Committee requested an update on the total spend on the new HQ building, any evidence available on savings being made and an update on the key snagging points.

Members acknowledged the confidential nature of the ongoing discussions regarding the heat pump, however requested the update included a possible timeline for resolving the issues. The Director of Resources agreed to obtain the information for the Committee.

Agreed:

- **The report be noted.**
- **The Director of Resources would obtain the information requested on the new HQ building for the Committee Members.**

AUD.35 Certification Work Report

The Committee considered a report from Grant Thornton which detailed certification work for 2011-2012.

Members were led through the report and thanks were given to the Welfare Reform Development Manager and her team for their outstanding work and the support given to the external auditors.

Agreed: The report be noted.

AUD.36 Audit Committee Update Report

The Committee considered a report from Grant Thornton which provided an update on audit progress and a summary of emerging national issues and developments.

In response to a Members question, the Director of Resources advised the Council were not aware of any equal pay claims and were not expecting any.

In light of the financial challenges ahead, Members acknowledged the need to monitor the Council's finances more closely.

Agreed: The report be noted.

AUD.37 Audit Plan

The Committee considered a report from Grant Thornton on the Audit Plan for year ended 31st March 2013.

Members were pleased with the results of the interim audit work and praised the work undertaken by the Internal Audit team.

Agreed: The report be noted.

AUD.38 Internal Audit – Annual Audit Plan 2013-2014

The Committee received a report from the S151 Officer and Principal Auditor that informed Members of the Internal Audit – Annual Audit Plan 2013 – 2014.

The Principal Auditor led Members through the report and highlighted the areas where slight changes had been made to the plan.

Agreed:

- **The Internal Audit – Annual Audit Plan 2013 – 2014, attached as Appendix 1 to the report of the Audit Committee at its meeting on 18th March 2013 be approved.**
- **Approval be given for the Section 151 Officer to amend the plan in light of developments arising during the year as described in paragraph 3.7 of the report to the Audit Committee at its meeting on 18th March 2013, and in accordance with paragraph 3.3 (b) of the approved Terms of Reference for Internal Audit.**

AUD.39 Internal Audit Monitoring Report Quarter Ended 31st December 2012

The Committee considered a report from the Principal Auditor which informed Members of the Internal Audit Monitoring Report for the Quarter ended 31st December 2012.

Members were led through the report and advised twenty action plans had been issued during the quarter, formal reports would be presented to the Committee in due course.

Agreed: The report be noted.

AUD.40 Annual Governance Statement

The Committee received a report from the Director of Resources which presented Members with the current position in relation to the action plan which was developed to address the issues identified within 2011/12.

Members were led through the report and advised the Council were expecting a further payment from the “Icelandic” investments in April 2013. In response to a Members question, it was confirmed there was no accepted level of reserves, individual authorities set their own levels in relation to their financial risks.

Agreed: The progress against the Annual Governance Statement Action Plan 2011/12, attached at Appendix 1 of the report to the Audit Committee at its meeting on 18th March 2013 be approved.

AUD.41 Risk Management – Corporate Risk Register

The Committee considered a report from the Director of Resources which presented Members with the current Corporate Risk Register.

Members were advised the risks were monitored by the Corporate Management Team and would be updated for the next financial year.

Agreed: The Corporate Risk Register and associated mitigating actions as at 31st December 2012 be noted.

There being no further business, the meeting ended at 7.35pm.