

**WYRE FOREST DISTRICT COUNCIL**  
**AUDIT COMMITTEE**  
**COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY,**  
**KIDDERMINSTER**  
**26TH SEPTEMBER 2016 (6PM)**

---

**Present:**

Councillors: A T Hingley (Chairman), R J Vale (Vice-Chairman), S Miah, C Rogers, J A Shaw and J D Smith.

**Observers:**

Councillor N J Desmond.

**AUD.12 Apologies for Absence**

There were no apologies for absence.

**AUD.13 Appointment of Substitutes**

There were no substitutes appointed.

**AUD.14 Declarations of Interests by Members**

No declarations of interest were made.

**AUD.15 Minutes**

**Agreed: The minutes of the meeting held on 27th June 2016 be confirmed as a correct record of the meeting and signed by the Chairman.**

**AUD.16 Audit Finding Report for Wyre Forest District Council – 2015/16 Accounts**

The Committee received a report from Grant Thornton which detailed the findings of the audit of accounts for 2015/16.

Richard Percival, Engagement Lead, Grant Thornton, led Members through the report and was pleased to advise that the accounts were well presented and completed in advance of the statutory deadline. He thanked the Chief Financial Officer and her team for dealing promptly with the queries raised during the audit, and added that the work undertaken against the significant risks that were identified showed that the Council had proper arrangements in place to ensure it delivered value for money in its use of resources.

He acknowledged that going forward the Council faced significant financial challenges, however was confident that the challenges were being addressed effectively.

**Agreed: The report be noted.**

**AUD.17 Audit General Update**

The Committee received a report from Grant Thornton which provided Members with a progress update on the delivery of their responsibilities as the Council's external auditors for the year ended 31<sup>st</sup> March 2016.

Richard Percival reminded Members of the invitation to attend the 'Getting Things Right' Governance Training session, which was being held on 11<sup>th</sup> October 2016 at Redditch Borough Council.

**Agreed: The report be noted.**

**AUD.18 Statement of Accounts 2015/16**

The Committee received a report from the Chief Financial Officer and Principal Accountant which presented the changes that had been made to the Statement of Accounts for 2015/16 following the audit undertaken by Grant Thornton.

The Chief Financial Officer led Members through an overview of the Statement of Accounts which provided a summary of the key aspects of the Statement, and advised that the final version would be published by 30<sup>th</sup> September 2016 and made available on the Council's website.

The Chief Financial Officer thanked the Principal Accountant and the rest of the team for all their professionalism and hard work in producing the accounts .

**Agreed:**

- 1. The Revised Statement of Accounts for 2015/16 be approved.**
- 2. The Letter of Representation for 2015/16 attached at Appendix 1 of the report be approved.**

**AUD.19 Internal Audit Monitoring Report Quarter Ended 30th June 2016**

The Committee received a report from the Audit Manager / Section 151 Officer which informed Members of the Internal Monitoring Report for the quarter ended 30<sup>th</sup> June 2016.

The Audit Manager led Members through the report and appendices and advised that of the 5 reviews undertaken during the period; all but 2 achieved 'Full' assurance level. Members discussed the 2 reviews that had achieved 'Some' assurance level and were reassured by the Audit Manager that they fell short of the 'Full' level on very minor issues.

**Agreed: The Internal Audit Monitoring Report for the Quarter ended 30th June 2016 as detailed in the Appendix to the report be noted.**

**AUD.20 Internal Audit Public Sector Internal Audit Standards**

The Committee received a report which informed Members of the changes to the United Kingdom Public Sector Internal Audit Standards (UK PSIAS) which came into effect on 1<sup>st</sup> April 2016.

The Chief Financial Officer introduced the report which was a requirement of the Accounts and Audit Regulations 2015.

The Audit Manager advised that Local Authority Internal Audit functions should comply with the Public Sector Internal Audit Standards and were mandatory for all internal auditors working in the public sector and the work of the Council's Internal Audit Team was governed by the UK PSIAS.

**Agreed: The changes to the UK Public Sector Internal Audit Standards as attached at Appendix 1 of the report be noted.**

**AUD.21 Update on Progress of Implementation of Counter Fraud Arrangements**

The Committee received a briefing paper from the Audit Manager which provided Members with a progress update on the implementation of the Counter Fraud arrangements for 2016-17.

The Audit Manager led Members through the key issues of the paper and advised that the largest area of growth in fraud investigation was in procurement, however it was noted that no procurement fraud had been reported within the Council. Members were assured there were robust procedures in place for the tendering and awarding of contracts, which was supported by the Contract Procedure Rules which form part of the Council's constitution.

Members were also advised that progress continued on raising awareness of tackling fraud and protecting the public purse amongst employees, by a variety of awareness campaigns, which were supported by poster campaigns and detailed alerts in the Council's employee newsletter, Wyred Weekly.

**Agreed: The update on the counter fraud arrangements within the Council be noted.**

**AUD.22 Risk Management – Corporate Risk Register**

The Committee received a report from the Chief Financial Officer which informed Members of the current Corporate Risk Register and Budget Risk Matrix which were set out in the appendices to the report.

The Chief Financial Officer presented the report and advised that the Risk Register was reviewed and updated by the Risk Owners monthly and subject to an annual refresh by the Corporate Leadership Team. It is brought to the Audit Committee for consideration twice a year.

Members considered and discussed each page of the Risk Register and Budget Risk Matrix in turn. The Chairman emphasised the importance of

#### **Agenda Item No. 4**

having the opportunity to fully scrutinise the documents as Members of the Audit Committee were charged with governance by the Council.

**Agreed: The Corporate Risk Register and the associated mitigating actions as at 31st July 2016 and the 2016/19 Budget Risk Matrix be noted.**

There being no further business, the meeting ended at 7.05pm.