

**WYRE FOREST DISTRICT COUNCIL**

**AUDIT COMMITTEE**

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

**22ND JANUARY 2020 (6PM)**

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**Present:**

Councillors: A Totty (Chairman), S E N Rook (Vice-Chairman), V Caulfield, B S Dawes, N J Desmond, A L L'Huillier, C Rogers and P W M Young.

Bodrul Zzaman – Independent Person.

**Observers:**

Councillor G W Ballinger.

**AUD.27 Apologies for Absence**

There were no apologies for absence.

**AUD.28 Appointment of Substitutes**

No substitutes were appointed.

**AUD.29 Declarations of Interests by Members**

No declarations of interest were made.

**AUD.30 Minutes**

**Agreed: The minutes of the meeting held on 27th November 2019 be confirmed as a correct record of the meeting and signed by the Chairman subject to the following:**

Bodrul Zzaman – Independent Person, attendance to be added.

**AUD.31 Audit Progress Report and Sector Update**

The Committee received a report from Grant Thornton (GT) giving an audit progress report and a sector update.

The Engagement Manager from GT informed Members that the 2018/19 audit had been completed to timetable and the 2019/20 audit was currently being planned. The proposed approach to the audit would be shared at the March Audit Committee meeting.

The Engagement Manager explained that the sector update was split into four reports: a summary of the key developments for 2019/20 annual reports of the

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Financial Reporting Council, a report on the future for local audits, the GT sustainable growth index report and a fiscal studies report. These reports were to give background as to why audit procedures and requirements change, why particular questions were asked and to give context to the external audit environment.

**The Audit Progress Report and Sector Update were noted by the Committee.**

### **AUD.32 External Audit Scope and Additional Work 2019-20**

The Committee received a briefing from the Engagement Manager at GT on the letter received from Peter Barber, GT Engagement Lead, setting out the impact of the increased regulatory focus facing all audit suppliers on the scope of the external audit work for 2019-20 and beyond. The letter was supplemented by an email from Public Sector Appointment Ltd (PSAA) to the S151 Officer that provided additional context and background information for this item. The Engagement Manager explained that it was unusual to bring this to Audit Committee but GT had done so to ensure Members were aware of the situation and commented that many of the contextual matters were relevant to the whole sector rather than just Wyre Forest District Council (WFDC).

The Committee discussed the previous tender process for audit services, the increased regulatory focus and the effect on current market providers.

6:12pm Bodrul Zzaman entered the meeting.

The Engagement Manager clarified the costs involved and informed Members that in previous years fee variations were not discussed until after the event where as this year GT were aiming to make Members aware in advance. The Corporate Director: Resources thanked GT for the early information as this would assist with forward planning and reassured Members that this was a sector wide issue as shown by the PSAA email, and had partly been brought about by the increased need for more thorough audit processes. The information was to inform Members of the direction of travel but decisions would be made at a later date. The increased scrutiny in the audit process would also mean additional work for WFDC Officers.

**The External Audit Scope and Additional Work 2019-20 Report was noted by the Committee.**

### **AUD.33 Internal Audit Monitoring Report Quarter Ended 31<sup>st</sup> December 2019.**

The Committee received a report from the Audit Manager/S151 Officer which informed Members on the Internal Audit Monitoring Report for the Quarter ended 31<sup>st</sup> December 2019.

The report gave details on the Housing Benefit Compliance Testing 2019/20 and a comprehensive progress report on the reviews that were currently in progress. Any issues found requiring action would be reported at future Audit Committee meetings.

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The Audit Manager explained that the team were slightly below the target for achievement compared to the Audit Plan than they would expect to be but this was due to a period of staff sickness and annual leave and the Christmas break and they are confident this would be resolved in the final quarter.

Cllr Rogers asked for clarification on what is classed as 'other' in the comparison chart of audit consultancy and advice for quarter 3, The Audit Manager explained that this included support for the Disabled Facilities Grant where the information had to be validated and she had supported with this. It also included work completed by a member of the finance team looking at performance indicators.

The Audit Manager informed the committee that the team's work was planned according to resources and that new staff had settled into their roles well and there were no concerns for her as the Audit Manager.

The Corporate Director: Resources explained the responsibilities around the budget deficit and where the Audit team supports this.

**The Internal Audit Monitoring Report for the Quarter ended 31<sup>st</sup> December 2019 was considered by the Committee.**

There being no further business the meeting ended at 6.31pm.