

**AUDIT COMMITTEE  
20th March, 2013**

Present:- Councillor Kaye (in the Chair); Councillors Gilding and Sims.

Apologies for absence were received from Councillor Sangster.

**P44. MINUTES OF THE PREVIOUS MEETING HELD ON 13TH FEBRUARY, 2013**

Consideration was given to the minutes of the previous meeting of the Audit Committee held on 13<sup>th</sup> February, 2013.

Resolved:- That the minutes of the previous meeting be approved as a correct record for signature by the Chairman.

**P45. AUDIT AND INSPECTION RECOMMENDATIONS UPDATE REPORT**

Consideration was given to a report presented by Deborah Johnson, Performance and Improvement Officer, which summarised the progress against recommendations from across all key external audits and inspections of Council services.

The report also provided a high level analysis of progress with a particular focus on outstanding recommendations and new inspections since the date of the last report (September 2012). A summary of these were set out in detail, but it was noted that:-

- Since the last report there had been one new inspection resulting in five new recommendations.
- There were currently five action plans relating to Inspection and Audit recommendations which were still “active” in the authority (i.e. contained outstanding recommendations which were still relevant).
- Across these action plans twenty-one recommendations have been completed and twenty-one remained outstanding.

It was noted that the monitoring of Audit and Inspection recommendations provided evidence that the Council was able to respond to external challenge in a timely manner and was committed to continuous improvement. Additionally through analysing the recommendations the Council was able to demonstrate the ability to identify and rectify detrimental trends or issues and to deliver service improvement.

Further information was provided on the progress against the recommendations, analysis of outstanding recommendations and on the new inspection reports received.

A summary of progress against all recommendations from “Active”

Inspection and Audit action plans was provided as part of the report and the Performance and Quality Team would continue to work with services to ensure that the associated outstanding recommendations were completed and ensure services were prepared for new or changing inspection and assessment regimes.

Discussion ensued on the progress against recommendations, where it was confirmed that the overall completion date for recommendations up to date and from 2012.

Resolved:- That the progress achieved against outstanding actions be noted.

#### **P46. CLOSURE OF ACCOUNTS 2012/13**

Consideration was given to a report presented by Simon Tompkins, Finance Manager, which detailed how the principal objective of the Council's annual financial statements was to provide information about the Council's financial performance, financial position and cash flows that was useful to a wide range of local and national stakeholders in assessing the Council's stewardship of its resources. It was, therefore, important that the Council's accounts were prepared in accordance with recognised accounting standards and could be relied upon by users of the accounts.

This report brought to Members attention the main changes to accounting standards and disclosure requirements in 2012/13; their effect on the Council's accounting policies and the project management arrangements that would be employed to secure the timely closure and production of the 2012/13 Financial Statements that were fully compliant with the Code of Practice on Local Authority Accounting (the Code).

It also reminded Members that the Audit Committee would need to formally approve the audited Financial Statements at its September meeting and questioned whether they wished the unaudited Financial Statements to be presented to Audit Committee at its meeting in July for information.

Further information was sought on what the heritage assets entailed and as the changes to how Council housing was valued to remove the risk.

Resolved:- (1) That the changes to the Council's accounting policies be approved.

(2) That the requirement for the Audit Committee to formally approve the audited 2012/13 Financial Statements at its September meeting be noted.

(3) That the unaudited Financial Statements be submitted to the July meeting of this Committee for information.

#### **P47. AUDIT COMMITTEE SELF ASSESSMENT**

Consideration was given to a report presented by Marc Bicknell, Chief Auditor, which detailed how the Audit Committee should carry out an annual self-assessment against best current practice for audit committees.

This report referred to the 2012/2013 self-assessment by the Audit Committee of its current arrangements relative to the standards contained in CIPFA document 'A Toolkit for Local Authority Audit Committees'.

Other published standards for audit committees have been reviewed and found to be consistent with the expectations of the CIPFA toolkit to the extent that if the Committee could satisfy the CIPFA expectations, it was likely also to be able to comply with broader good practice.

The assessment showed that the Council's Audit Committee substantially complied with current best practice. Since there have again been no new members to the Audit Committee during the year, the issues raised in last year's report, around induction arrangements and assessment of development needs, remained.

Resolved:- (1) That the answers provided to questions in the Audit Committee self-assessment checklist as set out in Appendix A of this report be approved.

(2) That any further actions required to enable the Committee to further strengthen its arrangements be identified.

**P48. DATE AND TIME OF THE NEXT MEETING**

Resolved:- That the next meeting of the Audit Committee be held on Wednesday, 24<sup>th</sup> April, 2013, commencing at 4.00 p.m.