

ROTHERHAM BOROUGH COUNCIL – REPORT TO AUDIT COMMITTEE

1.	Meeting:	Audit Committee
2.	Date:	18 th December 2013
3.	Title:	Assessment of Current Local Government Risks – KPMG Audit Committee Institute
4.	Directorate:	Environment and Development Services

5. Summary

The Audit Committee Chair and Vice-Chair recently attended a KPMG Audit Committee Institute event on current local government issues.

The event was designed to indicate to Audit Committee Members some of the key current issues that they may need to be aware of in fulfilling their responsibilities.

This report refers to the key issues raised at the event and provides assurance to the Audit Committee about the arrangements in place at Rotherham Council in the areas highlighted by KPMG. It shows that the Council has substantially got in place appropriate arrangements in the areas covered.

6. Recommendations

The Audit Committee is asked:

- **to note the publication of the “Audit Committee Institute Local Government Programme”**
- **to note the Council’s position in the key areas covered and the future proposed actions.**

7. Proposals and Details.

KPMG, the Council's external auditors, have established an Audit Committee Institute for local government audit committee members. The Institute plans to meet on a regular basis (with a frequency of 2 or 3 times per year), with invites sent out to all audit committee members of authorities audited by KPMG in the region.

The Institute will cover topical issues and flag up emerging risk areas for Members to be aware of and to seek assurances as to their organisations' responses to the risks.

The Chair and Vice-Chair attended the first meeting of the Institute in November and heard a range of issues covering:

- Transparency of Financial Reporting
- Learning the Lessons from Public Interest Reports
- Welfare Reforms
- Fraud risk
- Public Health
- Financial Management and Prospects: "*A Brilliant Authority*".

Members of the Audit Committee will recognise these headings, as various reports have been presented to the Committee on a number of these. As can be expected, the Council is well aware of the challenges it faces in these areas and has put in place appropriate arrangements for dealing with these challenges and managing the risks associated with them.

The KPMG Institute produced a slide pack to support the seminar and a copy of the pack is attached at **Appendix 1**. An assessment of the Council's position in each of the areas is included in **Appendix 2**. This shows the Council has substantially got in place appropriate arrangements in the areas covered.

There are just two areas where additional information could be brought forward to the Audit Committee, to help it to get a fuller understanding of issues relevant to its Terms of Reference. These are

- summaries of appropriate Public Interest Reports should be presented to the Audit Committee along with confirmation of arrangements in place at the Council in the areas covered by the reports
- Reports on whistleblowing cases could be forwarded to the Audit Committee where they involve issues relating to the Committee's Terms of Reference.

8. Finance.

There are no direct financial implications arising from this report.

9. Risks and Uncertainties.

Failure to further review Audit Committee arrangements could expose the Council to increased risks as new and emerging risks appear.

10. Policy and Performance Agenda Implications.

Good governance, including Audit Committee arrangements, reduces risks and improves the Council's chances of achieving its policies and objectives.

11. Background Papers and Consultation.

KPMG "Audit Committee Institute Local Government Programme Autumn 2013"
[power point presentation]

Appendices:

Appendix 1 KPMG Institute Presentation

Appendix 2 Assessment of Key Issues raised by KPMG.

Contact Names:

Colin Earl, Director of Internal Audit and Asset Management, ext 22033

Steve Pearson, Audit Manager, ext 23293