

13. Report from Audit Committee

Purpose of report

1. To inform the Authority of the proceedings of the Audit Committee Meeting held on 16 January 2013.
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Recommendation

The Audit Committee recommends that the Authority note the proceedings of the Committee meeting held on 16 January 2013.

Internal Audit Monitoring Report 2012/13

2. The Audit Committee received an interim update on the 2012/13 plan delivery and received a report on progress on the finalisation of the 2011/12 audit reports.
3. It was noted that good progress had been made with regard to the 2012/13 Audit Plan. Members were advised that one report had been outstanding from the 2011/12 audit regarding payroll and pensions. This was due to the changing environment and the impact that additional responsibilities would have. The report would be finalised shortly.
4. The Committee noted the contents of the report.

Annual Audit Letter 2011/12

5. A report was considered that presented the Annual Audit Letter 2011/12 from the Audit Commission.
6. The Annual Audit letter summarised the findings from the 2011/12 audit.
7. The District Auditor had issued an unqualified opinion on the Authority's financial statements. The statements were considered to be true and fair and presented without material misstatement.
8. With regard to Value for Money, the District Auditor had issued an unqualified Value for Money Conclusion and no matters had been identified which led him to believe that the Authority did not have proper arrangements in place for securing economy, efficiency and effectiveness.
9. The Audit Committee noted the Annual Audit Letter 2011/12 from the Audit Commission.

External Audit Fee Letter

10. The Audit Committee received a report which gave details of the External Audit fee for the Authority together with the scope and the timing of work to be undertaken.
11. Members were advised that the Authority's fee for 2012/13 would be £43,829 which was a reduction of 40% on the fee that the Authority had paid in 2011/12. The reduction in the fee had been as a result of the Commission's unique bulk purchasing power together with savings achieved through the Commission's own internal efficiencies.
12. The Audit Committee noted the contents of the report.

Risk Management Strategy and Strategic Risk Register

13. A report was considered that informed members of changes to the revised Risk Management Strategy Service Policy Instruction (SPI).
14. Members were advised that the Service's methodology for the management of and assessment of risks had been revised and a new Risk Management Guide had been produced. A new risk matrix was now being used to bring the Service in line with the Local Resilience Forum.
15. A review of the Strategic Risk Register was being undertaken and the Strategic Risk Register using the new methodology will be published and presented to the Audit Committee in April 2013.
16. The Audit Committee approved the change in procedure in the Risk Management Strategy SPI.

Committee Structure

17. The Audit Committee received a report which sought approval to the principle of implementing a new constitution defining the role of the Authority, delegating greater responsibility to committees and merging the Audit Committee and the Standards Committee.
18. A substantive report on this item is included at agenda item number 10.

Financial Considerations

Consideration	Yes/No	Reference in Report i.e paragraph no.
There are financial issues that require consideration	Yes	Whole report

Legal Considerations

Consideration	Yes/No	Reference in Report i.e paragraph no.
There are legal issues e.g. contractual and procurement, reputational issues that require consideration	No	

Additional Considerations

19. The table below sets out any additional issues arising from the proposals contained in this report and identifies the relevant paragraphs in the report where such issues are addressed.

Consideration	Yes/No	Reference in Report i.e paragraph no.
Resources (e.g. Assets, ICT, Human Resources, Training & Development, Sustainability).	No	
Strategic Policy Links (e.g. IRMP, Authority Plan, Equality & Diversity, Partnerships, Environmental Impact).	No	
Risk Management / Health & Safety (e.g. risk management and control measures, risk register score).	Yes	13 - 16
Consultation with Representative Bodies	No	

Supporting Information

Background papers – Agenda and Papers, Audit Committee, 16 January 2013.

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