

At a meeting of the Audit Committee held in Council Chamber - Allerdale House, Workington on Monday 24 September 2018 at 2.00 pm

Members

Councillor Mary Bainbridge (Chair)
Councillor Tony Annison
Councillor Billy Miskelly

Councillor Neil Schofield (Vice-Chair)
Councillor John Colhoun

Apologies for absence were received from Councillor Duncan Fairbairn and Councillor Marion Fitzgerald

Staff Present

D Bryden, P McAleavey, G Roach, S Sewell and E Thompson

Also Present

R Anderson

187. Minutes

The minutes of the meeting held on 27 July 2018 were signed as a correct record.

188. Declaration of Interests

None declared.

189. Questions

None received.

190. Internal Audit report Quarter One 2018/19

The Property Manager and the Project Manager attended the meeting to provide the Committee with an update on Business Continuity. Members were informed that the previous system had been replaced by the 'Allerdale Borough Council Business Continuity Environment' an in-house development on Sharepoint. Each Council department would have their own action plan with a list of actions for dealing with an incident. A lead member of staff for each service was to be nominated by SMT in due course. Access would be through a link on the Councils Intranet.

Members of the Committee expressed their concerns in the lack of progress with the original processes. Members were reassured that Business Continuity was being monitored monthly by the Senior Management Team, it was on the Corporate Risk Register and it was to be a standard item on team meeting agendas to keep its profile high across the services.

The Assurance, Risk and Audit Manager presented the first quarterly Assurance, Risk and Audit report for the financial year 2018/19. The report set out the work performed by the Assurance, Risk and Audit Section and compared the work undertaken against the approved annual plan.

The chargeable time for the section for quarter one was 80.16%, which was above the target of 78.87%.

Members noted the assurance activities for the quarter, which focused on the review of Financial Services, Customer Operations, Risk Management and ICT. The following reports were submitted and were attached to the report as Appendix A:

- Financial Services 17/18
- Customer Operations 17/18

Members noted the following reviews which were in progress at 30 June 2018:

- Community Services
- Risk Management
- ICT

There was a performance measure that 100% of recommendations made by Assurance, Risk and Audit were accepted by management, one low graded recommendation was not accepted during the quarter.

It was noted that 7 agreed actions due were in progress, 6 of those actions were over 60% complete. It was also noted that agreed actions were being continually monitored by the Senior Management Team and discussed in detail on a monthly basis. All actions outstanding had been updated in quarter one.

Members noted the Corporate Risk and Issues Log.

Agreed

That the contents of the report be noted.

191. Annual Audit Letter 2017/18

R Anderson, Grant Thornton presented the Audit Committee with the Annual Audit Letter. The letter summarised the key findings arising from the work that the external auditors had carried out at the Council for the year ended 31 March 2018.

The following work had been carried out:

Materiality – the auditors determined materiality for the audit of the Council's financial statements to be £966,000, which was 1.75% of the Council's gross revenue expenditure

Financial statement opinion – the auditors gave an unqualified opinion on the Council's financial statements on 31 July 2018

Value for money arrangements – the auditors were satisfied that the Council put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources during the year ended 31 March 2018

Certification of grants – the auditors had carried out work to certify the Council's Housing Benefit subsidy claim on behalf of the Department for Work and Pensions. The work had not yet been completed, but was due to be finalised by 30 November 2018 and would be reported to the Audit Committee

Certificate – the auditors certified that they had completed the audit of the Council's accounts in accordance with the requirements of the National Audit Office Code of Audit Practice.

Agreed

That the contents of the Annual Audit Letter be noted.

192. Audit Progress Report and Sector Update

R Anderson, Grant Thornton presented an Audit Committee update report to inform the Committee of the progress made by the external auditors on delivering their responsibilities as at September 2018.

The 2017/18 audit of the Council's financial statements had been completed.

Work had begun on planning processes for the 2018/19 financial year audit.

Members noted the report.

Agreed

That the report be noted.

The meeting closed at 3.05 pm