

## **ACCOUNTS AND AUDIT COMMITTEE**

**31 OCTOBER 2018**

### **PRESENT**

Councillor B. Brotherton (in the Chair).  
Councillors E. Patel (Vice-Chair), C. Boyes, J. Dillon, P. Lally, A. Mitchell and J. Slater.

#### In attendance

Head of Financial Management (Mr. G. Bentley),  
Audit and Assurance Manager (Mr. M. Foster),  
Democratic and Scrutiny Officer (Mr. J.M.J. Maloney).

#### Also in attendance

Ms. K. Murray (Mazars)  
Mr. T. Rooney (Mazars)

### **20. MINUTES**

RESOLVED – That the Minutes of the Meeting held on 30<sup>th</sup> July 2018 be approved as a correct record and signed by the Chair.

### **21. ANNUAL AUDIT LETTER 2017/18**

The Committee received the Annual Audit Letter for the year ending 31<sup>st</sup> March 2018, and the Head of Financial Management drew Members' attention to its key features. In respect of previous discussions on the LOBO loan which had raised issues for the previous external auditor, the Committee was advised that a satisfactory audit opinion had, in the event, been received, and the Accounts had been signed off in accordance with delegated authority.

RESOLVED – That the content of the report be noted.

### **22. AUDIT PROGRESS REPORT (OCTOBER 2018)**

Mr. Rooney introduced a report which set out key issues in relation to the transition from the previous external auditor, and initial planning and assessment work. It was noted that an update report would be made to the Committee in February 2019. The report also set out details of a range of national publications of potential interest to the Committee and its officers, and noted issues arising from the National Audit Office review of financial sustainability of local authorities.

RESOLVED – That the content of the report be noted.

**23. TREASURY MANAGEMENT 2018-19 MID-YEAR PERFORMANCE REPORT**

The Head of Financial Management introduced a report setting out key details, at the mid-year stage, of the Council's Treasury Management activities, principally debt and investment activity, and compliance with requirements in relation to prudential indicators. It was noted that the Treasury Management function had attained a high Internal Audit rating for the twelfth year in succession. In discussion, Members raised queries, to which the officers responded, in relation to the reduction in instant access investment balances, and the operation of the risk reserve.

RESOLVED – That details of the Treasury Management activities undertaken in the first half of 2018/19 be noted.

**24. INSURANCE PERFORMANCE REPORT 2017/18**

The Head of Financial Management introduced a report setting out key features of the Council's insurance performance for 2017/18, including categories of policy, claims activity and repudiation rates. An opportunity was provided for Members to raise questions on the report's content; these concentrated on the costs, value for money and review processes for current policies, and the procedure for handling historic claims.

RESOLVED – That the content of the report be noted.

**25. AUDIT AND ASSURANCE REPORT FOR THE PERIOD APRIL TO AUGUST 2018**

The Audit and Assurance Manager submitted a report which provided a summary of the work of Audit and Assurance during the period April to August 2018, and which provided assurance to the Council on the adequacy of its control environment. In discussion, it was noted that further information would be provided in the subsequent update on the national fraud initiative and progress against the year's audit plan; and it was noted that the Committee's Members could be supplied with specific audit reports, on request.

RESOLVED – That the content of the report be noted.

**26. STRATEGIC RISK REGISTER 2018/19 (OCTOBER 2018 UPDATE)**

The Audit and Assurance Manager submitted a report which set out an update on the Council's strategic risk environment. Members were advised of the substantive amendments which had been made to the register, and that it had been updated to take account of changes in Executive Member and officer leadership responsibilities. It was envisaged that a further update would be referred to the Committee in the spring of 2019.

RESOLVED – That the content of the report be noted.

**Accounts and Audit Committee**  
**31 October 2018**

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**27. ACCOUNTS AND AUDIT COMMITTEE - WORK PROGRAMME - 2018/19**

The Audit and Assurance Manager submitted a report which set out the envisaged work plan for the Committee for the remainder of the municipal year. It was noted that the plan was designed to be flexible and to accommodate emerging issues of importance; and the suggestion was endorsed that, in liaison with the Council's Chief Digital Officer, a presentation on cyber security be made to the Committee in March 2019. In discussion, the Committee noted the pending appointment, arising from the deliberations of the Constitution Working Group, of an Independent Member to participate in its work.

RESOLVED – That the content of the report be noted.

The meeting commenced at 6.30 p.m. and finished at 7.27 p.m.