

# **SOUTHEND-ON-SEA BOROUGH COUNCIL**

## **Meeting of Audit Committee**

**Date: Wednesday, 21st September, 2016**

**Place: Committee Room 1 - Civic Suite**

**Present:** Councillor M Davidson (Chair)  
Councillors B Ayling, S Buckley (Vice-Chair), C Nevin, A Bright,  
D Garston, M Stafford, J Moyies and J Ware-Lane.

**In Attendance:** J Chesterton, C Gamble, L Everard, D Bonner, D Helps, A Langridge  
BDO, L Clampin BDO, I Ambrose, C Fozzard, T MacGregor, J  
Denham and D Kleinberg

**Start/End Time:** 6.30 - 7.50 pm

### **286 Apologies for Absence**

There were no apologies for absence.

### **287 Declarations of Interest**

The following interest was declared at the meeting:

Councillor Davidson – Matters in relation to South Essex Homes – Member of South Essex Homes Board – Non-pecuniary interest.

### **288 Minutes of the Meeting held on 29th June 2016**

Resolved:-

That the minutes of the meeting held on 29<sup>th</sup> June 2016 be confirmed and signed as a correct record, subject to the inclusion of the additional paragraph in the preamble to minute 78 (Head of Internal Audit Annual Report 2015/16) as reported at Council on 21<sup>st</sup> July 2016.

### **289 Local Code of Governance Review**

The Committee considered a report of the Chief Executive presenting the Council's Local Code of Governance.

Resolved:-

1. That the Local Code of Governance be recommended for approval by Cabinet.
2. That once approved, the Council's Constitution be updated with the revised Local Code of Governance.

## **290 BDO Report to the Audit Committee 2015-16**

The Committee considered a report summarising the results of the work completed to date for the 2015/16 financial year with regard to:

- the opinion on the Statement of Accounts
- the conclusion on the adequacy of the Council's arrangements for securing economy, efficiency and effectiveness in the use of resources (the VFM conclusion).

The Committee asked a number of questions which were responded to by the BDO External Auditor.

On consideration of the report, the External Auditor informed Members that one objection had been received to the accounts which would need to be resolved before the Audit Certificate could be issued.

The External Auditor concluded by referring to the high quality of the accounts and to the audit which ran smoothly and efficiently. She thanked the Council officers involved for their help and cooperation during the audit process.

Resolved:

That the BDO report to the Audit Committee 2015/16 be accepted.

## **291 Statutory Statement of Accounts 2015-16**

The Committee considered a report of the Corporate Director for Corporate Services on the Statement of Accounts for 2015/16.

The Head of Finance and Resources informed Members that pages 132 and 133 of the accounts (Group Balance Sheet and Group Cash Flow Statement) had been revised and he circulated a copy of the replacement pages at the meeting.

The Committee asked a number of questions which were responded to by officers.

Resolved:-

That the Statement of Accounts 2015/16 be adopted and approved for publication.

## **292 BDO Progress Report to Those Charged with Governance**

The Committee considered a report outlining the progress made in delivering the 2015/16 Annual Audit Plan

Resolved:-

That the progress made in delivering the Annual Audit Plan for 2015/16, be accepted.

**293 Internal Audit Quarterly Performance Report**

The Committee considered a report of the Corporate Director for Corporate Services on the progress made in delivering the Internal Audit Strategy for 2016/17.

The Committee asked a number of questions which were responded to by officers.

Resolved:-

That the progress made in the delivering the Internal 2016/17 Audit Strategy be noted.

**294 Counter Fraud and Investigation Directorate - Status Report**

The Committee considered a report of the Corporate Director for Corporate Services on the progress made in delivering the Corporate Counter Fraud & Investigation Strategy for 2016/17.

The Committee asked a number of questions which were responded to by officers.

Resolved:-

That the Counter Fraud & Investigation Directorate's performance to date be noted.

**295 Audit Committee Terms of Reference**

The Committee considered a report of the Corporate Director for Corporate Services presenting a revised Terms of Reference for the Audit Committee to reflect the current good practice guidelines set out in the publication, CIPFA, Audit Committees Practical Guidance for Local Authorities and Police 2013 Edition.

Recommended:-

That subject to the inclusion of minor amendments to reflect revised officer job titles, the revised Terms of Reference as set out as an appendix to the submitted report, be adopted.

**296 Treasury Management Training**

It was noted that Treasury Management training had been arranged for all Members and would take place on Tuesday, 8<sup>th</sup> November 2016 at 17:30.

**297 Officer Departure - Sally Holland**

The Chairman referred to the impending departure of Sally Holland (Corporate Director for Corporate Services) and thanked her for her excellent contribution to the work of the Audit Committee.

**298 Information items**

The Committee noted the following documents:-

- Audit Committee Update, Helping Audit Committees to be Effective, Issue 20: CIPFA Survey on Audit Committees
- CIPFA Better Governance Forum;
  - Delivering Good governance Framework
  - Delivering Good Governance Briefing Note
  - Delivering Good Governance Guidance Notes
- Code of Practice – Managing the Risk of Fraud and Corruption
- Fighting Fraud and Corruption Locally the Strategy – 2016
- PKF Fraud Indicator Report

**Chairman:** \_\_\_\_\_