

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

## **Meeting of Audit Committee**

**Date: Wednesday, 25th July, 2018**

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

**Present:** Councillor M Davidson (Chair)  
Councillors N Folkard (Vice-Chair), B Ayling, A Bright, K Buck,  
L Burton, D Nelson, C Willis, R Woodley and Mr K Pandya

**In Attendance:** J Chesterton, A Barnes, E Allen, R Gill, C Fozzard, I Ambrose,  
D Kleinberg, C Gamble and Clampin, L Nicholson and M Waller

**Start/End Time:** 6.30 - 7.55 pm

### **189 Apologies for Absence and Welcome**

There were no apologies for absence.

The Chairman welcomed to the meeting, Andrew Barnes who had recently been appointed to the position of Head of Internal Audit.

### **190 Declarations of Interest**

The following interests were declared at the meeting:

(a) Councillor Buck – Agenda Item No. 6 (Head of Internal Audit Annual Report 2017/18) – Non-pecuniary interest: Parent Governor at Eastwood Academy;

(b) Councillor Davidson – Agenda Item No. 8 (Statutory Statement of Accounts 2017/18) – Non-pecuniary interest: Non-Executive Director of South Essex Homes; and

(c) Councillor Woodley – Agenda Item No. 8 (Statutory Statement of Accounts 2017/18) – Non-pecuniary interest: Non-Executive Director of South Essex Homes.

### **191 Minutes of the Meeting held on Wednesday 25th April 2018**

Resolved:-

That the Minutes of the Meeting held on Wednesday 25<sup>th</sup> April 2018 be confirmed as a correct record and signed.

### **192 Internal Audit Service, Quarterly Performance Report**

The Committee considered a report of the Chief Executive on the progress made in delivering the Internal Audit Strategy for 2017/18.

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

On consideration of the IT Enterprise Change Management Audit, the Head of Internal Audit undertook to write to Members of the Committee to explain the position regarding the timetable for the implementation of the upgrade to the Service Desk software (Hornbill Support Works).

Resolved:

That the progress made in delivering the 2017/18 Internal Audit Strategy, be noted.

**193 Counter Fraud & Investigation Directorate, Annual Report for 2017/18**

The Committee considered a report of the Chief Executive on the progress made by the Counter Fraud & Investigation Directorate (CFID) in delivering the Counter Fraud Strategy and Work Programme for 2017/18.

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

On consideration of the report, the Assistant Director for Fraud and Investigations undertook to write to Members of the Committee to provide information on the money recovered by CFID for Southend Borough Council for 2017/18.

Resolved:

That the performance of the Counter Fraud and Investigation Directorate over the last year, be noted.

**194 Head of Internal Audit Annual Report 2017/18**

The Committee considered a report of the Chief Executive providing the following for the 2017/18 financial year:

- The rationale for and an audit opinion on the adequacy and effectiveness of Southend-on-Sea Borough Council's (the Council's) risk management, control and governance processes; and
- A statement on conformance with the UK Public Sector Internal Audit Standards (the Standards) and the results of the Quality Assurance and Improvement Programme.

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

Arising from the discussion on the report, Members requested that the Director for Finance and Resources arrange for a report to be prepared on the Audit Committee's role in relation to risk management for submission to the next meeting of the Committee.

Resolved:

That the Head of Internal Audit's Annual Report for 2017/18, be accepted.

**195 BDO: Audit Completion Report to the Audit Committee 2017/18**

The Committee considered a report of the External Auditor summarising the results of the work completed to date for the 2017/18 financial year with regard to:

- The opinion on the Statement of Accounts; and
- 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 BDO External Auditor referred to the high quality of the accounts which had been prepared to a tight timescale. She considered that this was a significant achievement compared to a number of other known local authority positions and conveyed her congratulations to all concerned, in recognition of their sterling work. She also commented on the smoothness of the Audit they had undertaken and the minimal and insignificant findings by the completion of their audit.

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

Resolved:

That the report be accepted.

**196 Statutory Statement of Accounts 2017/18**

The Committee considered a report of the Chief Executive presenting the Statement of Accounts 2017/18 for adoption.

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

Resolved:

That the Statement of Accounts 2017/18 be adopted and approved for publication.

**197 Information Items**

The Committee received and noted the following information item:

- Position Statement: Audit Committees in Local Authorities and Police (2018 edition) Issue 8<sup>th</sup> June 2018.

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