

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

### **Meeting of Audit Committee**

**Date: Wednesday, 26th September, 2018**

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

- Present:** Councillor M Davidson (Chair)  
Councillors N Folkard (Vice-Chair), B Ayling, A Bright, K Buck,  
D Nelson, C Willis, R Woodley and K Pandya (Co-opted member).
- In Attendance:** C Gamble, E Allen, A Barnes, D Kleinberg and J Chesterton
- Start/End Time:** 18.30/19.50

#### **297 Apologies for Absence**

Apologies for absence were received from Councillor Burton (no substitute).

#### **298 Declarations of Interest**

The following interest was declared at the meeting:

Councillor Buck – Minute 300 (BDO: Audit Completion Report) and Minute 303 (Internal Audit Quarterly Performance Report) – non-pecuniary interest – Governor at Eastwood Academy.

#### **299 Audit Committee Role in Risk Management Framework**

The Committee considered a report of the Chief Executive:

- setting out the role of the Audit Committee in respect of the Council's risk management framework;
- providing assurance over the current operation of the risk management framework
- outlining the future plans to develop the risk management approach during 2018/19 and beyond, as the changes introduced by Southend 2050 impact on the governance framework and arrangements for the Council.

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

Resolved:

That the role that the Audit Committee has to play in the Council's risk management framework, the assurance over its current operation and the future plans to develop the Council's governance framework arrangements, including risk management, as a result of the changes arising from the introduction of Southend 2050, be noted.

**300 BDO: Audit Completion Report to the Audit Committee 2017/18 (updated and finalised)**

Further to the meeting of the Audit Committee held on 25<sup>th</sup> July 2018, Members considered a report of the External Auditor updating the summary results of the work completed 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 Committee asked a number of questions which were responded to by officers.

Resolved:

That the updated Report to the Audit Committee 2017/18, be accepted.

**301 BDO: Annual Audit Letter, Audit for the year ended 31 March 2018**

The Committee considered a report of the External Auditor presenting the Annual Audit Letter for 2017/18.

Resolved:

That the Annual Audit Letter for 2017/18, be approved.

**302 Counter Fraud & Investigation Directorate Quarterly Performance Report**

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 2018/19.

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 include information on fraud trends in the quarterly performance report to the Committee.

Resolved:

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

### **303 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 2018/19.

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

On consideration of the report, Members' attention was drawn to the vacant positions in the Audit Team and the arrangements that had been put in place to cover the work. Members acknowledged the problems of recruitment and retention that had been experienced and a number of suggestions were put forward to help address the situation, including exploring the employment of undergraduates and the use of the Local Government Association Graduate Development Programme.

In response to a request in relation to the timing of the audit reviews in the Audit Plan, the Head of Internal Audit undertook to prioritise the reviews relating to Children's Centres Contract Management and Safeguarding Arrangements.

Resolved:

That the progress made in delivering the 2018/19 Internal Audit Strategy, be noted.

### **304 Information Items**

(a) Audit Information Papers

The Committee received and noted the following information items:

- CIPFA Audit Committee Update – helping Audit Committees to be effective;
- CIPFA Audit Committee - practical guidance for local authorities and police.

(b) Congratulations – Elaine Allen

The Committee were pleased to note that Elaine Allen had recently won the award of Council Employee of the Quarter and Members congratulated her on her achievement.

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