

Audit Committee

This report summarises the items considered by the Audit Committee on 26th April:

90. External Audit Progress Report (Agenda Item 6)

The S151 Officer presented the report to members, advising that the report summarised the annual audit process made by Grant Thornton. He drew members attention to paragraph 5 of the covering report and advised that we were currently on track and that it was expected that Grant Thornton would be issuing a positive unqualified opinion on the value for money audit.

He introduced David Johnson, Engagement Manager – Grant Thornton. He referred to page 9 of the agenda and advised that the two main areas of the audit which had been carried out were the Financial Statements Audit and the Value for Money Audit.

In response to a members question, he clarified that audit advice was being provided following the purchase of investment land and property.

The S151 Officer clarified that the accounts for this purchase would be included within quarterly financial update reports and the CEO had briefed members on the purchase, however advised that he needed to be sensitive to confidential information at this time.

One member requested a copy of the business plans for the investment properties. The S151 Officer reminded the member that the business plan would contain confidential information and that the decision to purchase properties had been delegated to officers. The S151 Officer suggested that a discussion with the Commercial Services and Income Generation Director might be more appropriate.

David Johnson advised members that page 10 of the agenda detailed the current position of the external audit programme. He also advised that pages 11-13 covered the areas which had already been looked at.

He pointed out the Value for Money Interim Conclusion on page 14. He advised that he would be expecting to issue a positive unqualified opinion for the Transformation Process.

In response to a question from a member, he confirmed that the restructuring figures quoted in the first column of page 14 was the allocated budget, rather than the spend to date. The Director of Strategy and Commissioning advised that up to date financial information had been reported the District Executive Committee recently.

RESOLVED: that members noted the report.

91. Audit Committee Meetings Calendar (Agenda Item 7)

The S151 Officer presented his report to members. He advised that he was proposing to reduce the volume of meetings to operate in a more efficient way.

He explained that the report contained some examples of how other district councils in Somerset operate for use as a comparison.

He explained that some districts operate with quarterly meetings, plus an additional meeting to cover the annual financial accounts.

One member suggested that he felt that 4 meetings was too few, and proposed that 6 meetings should take place per year with a review to take place in 12 months. It was also suggested that additional meetings could be scheduled by the Chairman if this was felt necessary. This was seconded by another member.

On being put to the vote, members unanimously agreed that there should be 6 meetings of the Audit Committee, however it will possible for the Chairman of the Audit Committee to call an additional meeting should this be necessary. This would be reviewed in 12 months' time.

RESOLVED: that members unanimously agreed to reduce the frequency of Audit Committee Meetings to 6 meetings per year - Option A, to be held in June, July, October, November and January. It will remain possible for the Chairman of the Audit Committee to call additional meetings as necessary and this schedule of meetings will be reviewed in 12 months.

(Voting: Unanimous)

92. Audit Committee Forward Plan (Agenda Item 8)

Members noted the Audit Committee Forward Plan and agreed that the Forward Plan would be replaced with the plan detailed on page 26 of the agenda (agenda item 7).

Cllr Derek Yeomans
Chairman of Audit Committee