

Audit Committee Meetings Calendar

Executive Portfolio Holder: Councillor Peter Seib
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Lead Officer: Paul Fitzgerald, S151 Officer
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Purpose of the report

1. This report requests the Members of Audit Committee consider a change to the frequency of Audit Committee Meetings within the Meetings Calendar for 2018/19.

Recommendations

2. Members agree a recommendation to Annual Council to reduce the frequency of Audit Committee meetings in the interests of efficiency, without detriment to fulfilling its responsibilities, of either:

Option A: Six meetings per year, scheduled to be held in June, July, October, November, January, and March
Or
Option B: Quarterly meetings, scheduled to be held in July, October, January, and April

Introduction

3. Currently the Audit Committee meets on a monthly basis, and therefore up to twelve meetings per year.
4. The advantages of this approach include that Members meet frequently to consider audit and governance matters, and the direction of meetings can be managed comfortably to cover the business on the agendas.
5. However, the disadvantages include that this requires significant time and cost for attendance of both officers and members, and meetings quite often only have 1-2 items on the agenda, leading to inefficiency.
6. Whilst dates are held in the calendar there have also been a number of meetings cancellations: 2017 = 2, 2016 = 4, 2015 = 3.

Comparison with other Councils

7. To assist Audit Committee with considering this request, the frequency of meetings in our neighbouring districts in Somerset has been researched. By way of comparison, those authorities' audit/governance meetings take place either four or five times per year:

Mendip – four per year: January, April, July, October
Sedgemoor – four per year: July, October, February, April
Taunton Deane – five per year: March, June, July, September, December
West Somerset – five per year: March, June, July, September, December

8. Whilst it is acknowledged that the scope of responsibilities of the respective audit/governance committees between SSDC and the other districts are not necessarily identical they are very similar, and it provides confidence for SSDC's Audit Committee to consider meeting less often

without having a detrimental impact in fulfilling its responsibilities in line with the Council's Constitution.

Proposals for 2018/19

9. The Committee is requested to consider two options for the Meetings Calendar for 2018/19. These are either:

Option A: Meeting six times per year, with meetings scheduled to be held in June, July, October, November, January, and March;

Or

Option B: Meeting four times per year, every three months, with meetings scheduled to be held in July, October, January, and April

10. An example of a Forward Plan for both options is included at the end of this report. These demonstrate that there will be several items on the agenda, and in many cases with individual officers attending to present more than one report in a meeting – so making attendance more efficient for officers and colleagues from partners such as internal and external audit. A small number of review and reporting requirements have also been reviewed and streamlined or removed from the Forward Plan in the interests of efficiency and avoiding unnecessary reporting for delegated matters.
11. The S151 Officer is confident that the Audit Committee can continue to provide effective audit and governance with a reduced frequency of meetings. It is evident from the draft forward plan examples that in holding six meetings per year it is likely to be easier to add in additional items without significantly extending the duration of individual committee meetings.
12. There is also a potential opportunity to challenge a small number of items that are included on agendas as 'good practice' but are not essential for the Council achieving good governance. An example is accounting policies, which are approved by the S151 Officer in line with delegated responsibility but presented to Audit Committee in advance of the final accounts. Such items can be considered further in agreeing Forward Plans with the Chair for presentation to the Audit Committee during the year.

Financial Implications

13. Whilst no formal costing exercise has been undertaken, reducing the number of meetings will improve efficiency in areas such as committee support (producing agendas, minutes, etc), time spent by officers and members in meetings, travel expenses, etc.

Background Papers

None

Audit Committee – Example Draft Forward Plan 2018/19 – Six Meetings

Committee Date	Item	Responsible
28 Jun 18	Review of Internal Audit 2017/18 Internal Audit Plan Progress Q4 Internal Audit Annual Opinion 2017/18 Health, Safety and Welfare (Annual Report) Register of staff interests – annual review Annual Treasury Management Activity Report 2017/18 – Needs to go on to Full Council	S151 Officer Laura Wicks (SWAP) Laura Wicks (SWAP) Pam Harvey Monitoring Officer Finance Specialist
19 Jul 18	Annual Governance Statement External Audit – Audit Findings Report Approve Annual Statement of Accounts Approve Summary of Accounts	S151 Officer S151 Officer (GT) Finance Specialist Finance Specialist
25 Oct 18	Internal Audit Plan Progress Q2 Treasury Management Practices Treasury Management Mid-Year Performance and Strategy Update – Needs to go on to Full Council	Laura Wicks (SWAP) Finance Specialist Finance Specialist
22 Nov 18	External Audit – Certification of Housing benefit Subsidy Claim External Audit – Annual Audit Letter Annual Fraud Programme Update	Finance Specialist (GT) Finance Specialist (GT) Legal Specialist
24 Jan 19	Internal Audit Plan Progress Q3 Treasury Management Strategy Statement 19/20 – Needs to go on to Full Council	Laura Wicks (SWAP) Finance Specialist
28 Mar 19	Internal Audit Plan 2019/20 - approve 2019/20 plan Internal Audit – Charter External Audit Plan for 2017/18 Accounts External Audit Progress Report 2017/18 Accounts	Laura Wicks (SWAP) Laura Wicks (SWAP) Finance Specialist (GT) Finance Specialist (GT)

- **Financial Statements Training** – it is proposed to schedule informal financial statements training late June / early July, separate to any formal committee agenda.
- **Internal Audit Updates** – it is proposed to provide two progress updates during the year in October and January with end of year performance and opinion reports in June
- **Going Concern Assessment** – S151 Officer advice is that, unless any significant issues, this will not need to be reported to Audit Committee. There is not statutory or constitutional requirement to do so. It is a management assessment that is the responsibility of the S151 Officer, and will be part of the audit working papers reviewed by the external auditor in forming their audit findings and conclusions.
- **Accounting Policies** – S151 Officer advice is that Accounting Policies are technical bases for preparing the accounts and for operational purposes are approved by the S151 Officer as qualified professional and responsible officer for the authority. Audit Committee approves the Statement of Accounts in July each year, and this includes the Accounting Policies as ‘Note 1’ hence at this stage are approved by the committee.
- **Risk Management** – Arrangements for management and reporting of risk management currently under review. To be added to the Plan.

Audit Committee – Example Draft Forward Plan 2018/19 – Quarterly Meetings

Committee Date	Item	Responsible
24 May 18*	Health, Safety and Welfare (Annual Report) Register of Staff Interests Annual Review	Pam Harvey Monitoring Officer
19 Jul 18	Review of Internal Audit 2017/18 Internal Audit Plan Progress Q4 Internal Audit Annual Opinion 2017/18 Annual Governance Statement External Audit – Audit Findings Report Approve Annual Statement of Accounts Approve Summary of Accounts Annual Treasury Management Activity Report – Needs to go on to Full Council	S151 Officer Laura Wicks (SWAP) Laura Wicks (SWAP) S151 Officer S151 Officer (GT) Finance Specialist Finance Specialist Finance Specialist
25 Oct 18	Internal Audit Plan Progress Q2 Treasury Management Practices Treasury Management Mid-Year Performance and Strategy Update – Needs to go on to Full Council Annual Fraud Programme Update	Laura Wicks (SWAP) Finance Specialist Finance Specialist Legal Specialist
24 Jan 19	Internal Audit Plan Progress Q3 Treasury Management Strategy Statement 19/20 – Needs to go on to Full Council External Audit – Certification of Housing benefit Subsidy Claim External Audit - Annual Audit Letter	Laura Wicks (SWAP) Finance Specialist Finance Specialist (GT) Finance Specialist (GT)
25 Apr 19	Internal Audit Plan 2019/20 – approval Internal Audit – Charter External Audit Plan for 2018/19 Accounts External Audit Progress Report 2018/19 Accounts Annual Treasury Management Activity Report – Needs to go on to Full Council Health, Safety and Welfare (Annual Report) Register of Staff Interests Annual Review	Laura Wicks (SWAP) Laura Wicks (SWAP) Finance Specialist (GT) Finance Specialist (GT) Finance Specialist Pam Harvey Monitoring Officer

*Last meeting of current meetings schedule

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