

## AUDIT AND GOVERNANCE COMMITTEE

**Thursday 18 April 2013**

**COUNCILLORS PRESENT:** Councillors Rowley (Chair), Simmons (Vice-Chair), Brett, Darke and Fry.

**OFFICERS PRESENT:** Mathew Metcalfe (Democratic and Electoral Services), Jeremy Thomas (Head of Law and Governance), Nigel Kennedy (Head of Finance), Anna Winship (Financial Accounting Manager), Christopher Dickens (Pricewaterhousecoopers (PWC)) and Alan Witty (Ernst & Young)

### **54. APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Mary Clarkson and David Rundle.

### **55. DECLARATIONS OF INTEREST**

None declared.

### **56. AUDIT PROGRESS REPORT 2012/13 - ERNST AND YOUNG**

The Head of Finance submitted a report (previously circulated, now appended) on behalf of the Council's External Auditors, Ernst and Young. The report detailed the progress made in delivering the work set out in the 2012/13 audit plan.

Alan Witty from Ernst and Young introduced the report. He highlighted that good progress had been made on the preparation of the accounts with regular meetings being held with the Finance Team. He added that two public questions had been received on the accounts, one relating to the new pool in Blackbird Leys and the other to a charity.

In response to questions concerning the cost of audit time to deal with public questions to the accounts, Alan Witty agreed to provide the Chair with details of the scale of fees.

The Committee agreed:

- (a) To thank Alan Witty for attending the meeting;
- (b) To note that the Chair would be provided with details of the scale of fees;
- (c) To note the report.

### **57. PREPARATION FOR THE COMPLETION OF THE STATEMENT OF ACCOUNTS FOR 2012/13**

The Head of Finance has submitted a report (previously circulated, now appended) which updated the Committee on the preparations being made for the completion of the Statement of Accounts for 2012/13.

Nigel Kennedy, Head of Finance introduced the report. He said that work was on track for the accounts to be unqualified for the third year in succession. He added that over 300 tasks had to be completed by officers in the preparation of the accounts.

Councillor Fry asked how the transition from the Audit Commission to Ernst and Young had affected the Council. In response Nigel Kennedy said that the approach of Ernst and Young was similar to that of the former Audit Commission and the staff were they same as they had transferred to Ernst and Young.

Alan Witty from Ernst and Young also added that some 60 staff had been retained at the former Audit Commission with residual powers as legislation would be required to close down the Audit Commission.

The Committee agreed to note the report.

#### **58. PROGRESS ON THE IMPLEMENTATION OF AUDIT RECOMMENDATIONS**

The Head of Finance has submitted a report (previously circulated, now appended) which updated the Committee on the progress made on the implementation of internal and external audit recommendations.

Anna Winship, Finance, introduced the report.

The Committee agreed to note the report.

#### **59. INTERNAL AUDIT ANNUAL REPORT - PRICEWATERHOUSECOOPERS (PWC)**

The Head of Finance submitted a report (previously circulated, now appended) on behalf of the Council's Internal Auditors, Pricewaterhousecoopers (PWC) which detailed the Internal Audit Annual report for the year ended 31<sup>st</sup> March 2013.

Christopher Dickens from Pricewaterhousecoopers (PWC) introduced the report. He informed the Committee that the 2013/14 Audit Plan was still being finalised and would be submitted to the Committee at its June meeting.

Councillor Darke asked regarding debtors, whether this was a reflection of the economic climate. In response Alan Witty said no and Nigel Kennedy added that the risk was around the lateness of getting bills sent out.

In response to questions concerning the skills survey of Councillors, Officers said that it was to establish what skills Members had that could be sued elsewhere and to draw out any focussed training requirements.

The Committee agreed to note the report.

## **60. MINUTES**

The Committee agreed to approve the minutes of the meeting held on 28<sup>th</sup> February 2013.

## **61. DATES OF FUTURE MEETINGS**

The Committee noted that Committee dates for the Council Year 2013/14 would be approved by Full Council on Monday 22<sup>nd</sup> April 2013.

## **62. INTERNAL AUDIT CHARTER - PRICEWATERHOUSECOOPERS (PWC)**

The Head of Finance submitted a report (previously circulated, now appended) on behalf of the Council's Internal Auditors, Pricewaterhousecoopers (PWC) which defined the purpose of the activities of Internal Audit.

Richard Vialard from Pricewaterhousecoopers (PWC) introduced the report. He highlighted that the Quality Assurance Framework was a new requirement under the new Standards Regime. He added that the Charter would be signed-off by the Chair of the Audit and Governance Committee and Jackie Yates, Executive Director, Organisational Development and Corporate Services.

The Committee agreed to note the report.

## **63. PUBLIC SECTOR INTERNAL AUDIT STANDARDS - PRICEWATERHOUSECOOPERS (PWC)**

The Head of Finance submitted a report (previously circulated, now appended) on behalf of the Council's Internal Auditors, Pricewaterhousecoopers (PWC) which detailed the new Public Sector Internal Audit Standards.

Richard Vialard from Pricewaterhousecoopers (PWC) introduced the report and highlighted the need for an external assessment of the Internal Auditor. Nigel Kennedy added that details of this would be submitted to a future meeting of the Audit and Governance Committee.

The Committee agreed to note the report.

**The meeting started at 6.00 pm and ended at 6.35 pm**

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