

Minutes of Accounts & Audit Committee

Meeting Date: Wednesday, 30 November 2011 starting at 6.30pm
Present: Councillor J Hill (Chairman)

Councillors:

P Ainsworth	M Thomas
G Mirfin	N C Walsh
R Moores	A Yearing

In attendance: Chief Executive, Director of Resources and Head of Financial Services.

Also in attendance: Karen Murray and Georgia Jones – Audit Commission.

550 APOLOGIES

There were no apologies for absence.

The Chairman welcomed Karen Murray the Council's new District Auditor to the meeting.

551 MINUTES

The minutes of the meeting held on 24 August 2011 were approved as a correct record and signed by the Chairman.

552 DECLARATIONS OF INTEREST

There were no declarations of interest at the meeting.

553 PUBLIC PARTICIPATION

There was no public participation.

554 REFERENCES FROM OVERVIEW AND SCRUTINY COMMITTEE

There were no references from Overview and Scrutiny Committee.

555 ANNUAL AUDIT LETTER 2010/2011

The Director of Resources submitted the Audit Commission's Audit Letter for 2010/2011 for Committee to consider. The Audit Commission, as the Council's external auditor is required to review various aspects of the Council's activities in line with the requirements of the Audit Commission's Code of Practice. The Annual Audit Letter summarises the outcome of their work and makes specific recommendations for the coming year. It outlines the Council's position in relation to its accounts and whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The

Director of Resources reported that the Annual Audit Letter this year was particularly pleasing and highlighted the auditor's comments with particular reference to value for money and financial resilience. This included that the organisation has robust systems and processes to manage effectively financial risks and opportunities and to secure a stable financial position that enables it to continue to operate for the foreseeable future. It acknowledged that the leadership team understands the significant financial management challenges and risks facing the Council and was taking appropriate action to secure a stable financial position. It also included that the Audit Commission provided effective challenge across the organisation and assurance on the arrangements for risk management, maintaining effective internal control and reporting on financial and other performance.

The Council has a good recent record of operating within its budget with no significant overspends and management takes timely action to address any budget pressures, for example by taking corrective action to manage unfavourable variances. The Council is also reviewing its strategic priorities and the cost effectiveness of its activities and taking a rational view of its priorities and of the short, medium and longer-term opportunities for savings. The Council has good monitoring arrangements to ensure planned efficiencies are achieved and to understand the impact on services and on performance. The Director of Resources highlighted that the Audit Letter included two recommendations with regard to the financial statements that would be adhered to.

The Chairman was pleased with the comments regarding the effective challenge provided by the Accounts and Audit Committee.

RESOLVED: That Committee note the key findings highlighted in the Annual Audit Letter and accept the auditor's recommendations.

556 INTERNAL AUDIT PROGRESS REPORT 2011/2012

The Director of Resources submitted a report for Committee's information on the internal audit work to date for 2011/2012. She highlighted the work carried out in relation to the visitor information centre and reported that significant progress had now been made.

Discussion took place regarding the role of audit and value for money. The District Auditor, Chief Executive and Director of Resources all commented on the importance of the audit function particularly in relation to the use of public funds.

RESOLVED: That the report be noted.

557 UPDATE ON PROCUREMENT OF AUDIT SERVICES

The Director of Resources submitted a report for Committee's information on the latest position regarding procurement of external audit services. She reminded Committee that in August 2010, the Department of Communities and Local Government had announced their intention to disband the Audit Commission and transfer its in-house audit practice to the private sector. The Audit Commission

had now sought bids for the work currently undertaken by the in-house audit practice with the intention that auditor appointments for 2012/2013 would start on 1 September 2012. The report outlined the key points of the procurement and the timetable for this. The Director of Resources informed Committee that a letter had been received from the Audit Commission outlining the latest position with the procurement exercise, which was that 13 bidders had been invited to submit tenders by 16 December 2011. However, we would not know who the new appointed auditor for Ribble Valley Borough Council would be until at least April 2012 with the appointment taking effect from 1 September 2012.

RESOLVED: That the report be noted.

558 CHANGE OF APPOINTED AUDITOR FOR 2011/2012

The Director of Resources submitted a report for Committee's information regarding a change in the Council's appointed auditor for 2011/2012. She reminded Committee that the Council's external auditor is the Audit Commission and had been since 2008/2009 and during that period, the appointed auditor was Clive Portman. Clive Portman had now retired from the Audit Commission and the Council had been formally notified that its new appointed auditor would be Karen Murray.

RESOLVED: That the report be noted.

The meeting closed at 7.10pm

If you have any queries on these minutes please contact Jane Pearson (414430).