

AUDIT AND GOVERNANCE COMMITTEE

11 December 2015

EXTERNAL AUDITOR - AUDIT PROGRESS REPORT

Report of the Director of Finance

1. Purpose of Report

- 1.1 To enable the Committee to consider and comment upon the external auditors' (Mazars) regular Audit Progress Report covering the period up to December 2015.
- 1.2 The report (Appendix A) will be presented by Gavin Barker, the Council's Senior Engagement Manager.
- 1.3 The reports are a regular feature on this agenda and are aimed at providing updates of the progress made by our external auditor in meeting and fulfilling their role and responsibilities to the Council.
- 1.4 Members will be pleased to note that the audit work in respect of both the 2014/15 accounts and Value For Money conclusion was finalised within the required statutory timescales which culminated in production of the Annual Audit Letter which features separately on today's agenda.
- 1.5 The report also sets out that:
 - a) the auditor's IT audit review has been completed which covered the general IT controls throughout the council. It is pleasing to report that the audit specialists concluded that the significant IT risks were being substantially mitigated by the control environment. The detailed findings for members information are set out on page 4 of the report;
 - b) The Auditors now only carry out grant certification work on the Housing Benefit Subsidy Claim on behalf of the DWP and again it is pleasing to report that only minor issues were reported, which is an excellent outcome for the council as there was no loss of grant.
 - c) Work outside of the national arrangements saw the auditors carry out work on the 2014/15 Teachers Pensions Return at a net cost of £2,750 and they had no issues to report from their audit.
 - d) The auditors have recently been appointed to carry out certification work on the Council's Skills Funding Agency Return for an agreed fee of £3,550 plus VAT.
 - e) The Council has agreed to provide the Department for Transport with unaudited Port accounts.
 - f) The auditors also provide an update on the work they are planning to carry out for the current financial year which will be reflected in their Audit Strategy Memorandum which they will report to this Committee in March 2016.

1.6 The report also usefully highlights national publications and other emerging issues and developments that may be relevant and of interest to members in their role on the Audit and Governance Committee. These are detailed in pages 6 to 10 of the report.

2. Recommendations

2.1 Members are asked to note the report.