

AUDIT AND GOVERNANCE COMMITTEE

26 June 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 June 2015.
- 1.2 The report 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 early audit work in respect of both the 2013/14 accounts and Value For Money conclusion is progressing well and that no significant issues, that require reporting to members, has resulted from their interim work on the council's financial systems.
- 1.5 The report also sets out that:
 - a) the auditor's IT specialists are currently carrying out a review of IT general controls throughout the council – this work has not yet been completed but will be reported to members in due course;
 - b) a more detailed report is to be presented to members at the next meeting of this Committee which provides the basis of their VFM conclusion;
 - c) they propose to establish a North East Governance Forum targeted at Chairs and Vice Chairs of Audit Committees to promote good governance and to share best practice. Two places are available to Sunderland;
 - d) they are also acting as an agent of the Public Sector Audit Appointments (PSAA) to audit the council's Housing Benefit Claim for 2014/15 for the previously agreed fee of £10,300. They also point out that they can carry out other grant certification work under the (PSAA) regime but will have to agree separate fees for any additional work acquired.
- 1.6 The report also usefully highlights 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 10 to 12 of the report.

2. Recommendations

2.1 Members are asked to note the attached report.