



WYCOMBE DISTRICT COUNCIL
ANNUAL AUDIT COMMITTEE REPORT 2017

Date: December 2017

Version: 1.0

Author: Michael Howard: Business Assurance Manager

Introduction by the Chair of the Audit Committee.

I am pleased to present the Annual Report of the Audit Committee which describes the Committee's work and its achievements.

The Annual Report helps to demonstrate to the various stakeholders in the district of the vital role that is carried out by the Audit Committee and the contribution that it makes to the Council's governance arrangements.

To provide ongoing assurance over the Council's internal controls and systems the Committee is attended by the Council's in house Business Assurance Manager.

Similarly, representatives from Ernst Young, the Councils External Auditor attend and report upon the Councils financial statements and value for money arrangements.

Looking forward to 2018/19, the Audit Committee will continue to provide robust oversight of Council's spending and value for money.

Whilst there is a cyclical work plan, the Committee is able to seek assurance from Management that any emerging areas of risk are being properly managed and controlled.

I would like to thank all Members who have served on the Audit Committee during the year and those officers who have supported the work of the Committee in presenting and discussing reports.



Councillor Mike Appleyard

Chairman of the Audit Committee

1 Audit Committee responsibilities.

1.1 The Audit Committee is responsible for:

- Liaison with the Council's external auditors
- Reviewing and discussing the annual financial statements, external audit reports and external auditor's annual management letter prior to consideration by Cabinet and full Council.
- Corporate governance
- Internal audit
- Risk Management
- Counter Fraud
- Maintaining an overview of Health and Safety in the Council's capacity as employer or regulator.
- Analysis of key performance indicators and identification of actions required.

1.2 To ensure that the Audit Committee is able to deliver against the responsibilities outlined above, a work programme is prepared and this forms the basis of the meetings that are held throughout the year.

1.3 Attached at appendix 1 is a brief outline of the meetings that have been held and the items that were covered. The planned agenda is supplemented by reports where the Committee has requested additional information or assurance from Management.

1.4 Taking the year as whole, the Audit Committee has been successful in:

- ❖ Maintaining an overview of internal control and governance
- ❖ Focussing attention on services where there are internal control or performance issues.
- ❖ Maintaining an overview of the Council's finances and receives reports from the Councils External Auditors, EY, based on their annual cycle of external audit work. We are pleased to record that the Council received an Unqualified Audit Opinion for its 2016/17 Accounts.
- ❖ Maintaining an overview of the Councils Health and Safety arrangements.
- ❖ Undertook a review of Service Performance for Quarters 1 (April – June 2016 and Quarter 2 (July – September 2016).

1.5 Attached at Appendix 2 is a brief outline of the work programme for the Audit Committee up to 2017. Audit Committee members may also request reports or ask for the details of any follow up action on a specific area of concern.

1.6 All agenda and minutes from the Audit Committee meetings are available on the Councils website: www.wycombe.gov.uk

2. Audit Committee Membership

2.1 The Membership of the Audit Committee is made up 8 Councillors: 7 Conservatives and 1 Labour and 4 standing deputies: 3 Conservatives and 1 Labour.

2.2 Detailed below is a brief outline of the Audit Committee members:

 <p>Chair – Cllr Mike Appleyard</p>	 <p>Vice Chair – Cllr Richard Scott</p>	 <p>Cllr Tony Lee</p>
 <p>Cllr Catherine Oliver</p>	 <p>Cllr Roger Wilson</p>	 <p>Cllr Mohammed Hanif</p>
 <p>Cllr Gary Hall</p>	 <p>Cllr Nigel Teesdale</p>	

3. Review of the Audit Committee's effectiveness

- 3.1 The Committee regularly undertakes a formal review of its own effectiveness with the last one being formally reported in September 2016.
- 3.2 The coverage for the review was based on CIPFA's Audit Committee Practical Guidance for Local Authorities and Police 2013 Edition. This highlighted the following training needs and opportunities of key aspects of the remit of the Audit Committee to further improve its effectiveness:
- Knowledge of the six principles of the CIPFA / SOLACE Good Governance Framework and the requirements of the Annual Governance Statement (AGS). Knowledge of the local code of governance.
 - Awareness of the financial statements that a local authority must produce and the principles it must follow to produce them. Understanding of good financial management principles. Knowledge of how the organisation meets the requirement of the role of the chief financial officer, as required by CIPFA's statement on the Role of the Chief Financial Officer in Local Government.
 - Understanding of the principles of risk management including linkage to good governance and decision making. Knowledge of the risk management policy and the strategy of the organisation. Understanding of risk governance arrangements, including the role of members of the Audit Committee.
 - Knowledge of the Seven Principles of Public Life. Knowledge of the authority's key arrangements to uphold ethical standards for both members and officers. Knowledge of the Whistleblowing arrangements at the authority.

4 Further information:

If you have any comments or questions arising from this report or would like to know more about the work of the Audit Committee, please contact

Jemma Durkan Senior Democratic Services Officer

Email: Jemma.Durkan@wycombe.gov.uk DDI: 01494 421635

APPENDIX 1 - WORK UNDERTAKEN BY THE AUDIT COMMITTEE JANUARY 2017–NOVEMBER 2017.

Thursday 12th January 2017

Items covered:

- Red Kite Update
- Audit Committee Annual Report – Draft
- Annual Review of the Risk Management Policy
- Treasury Management Strategy 2017/18
- EY Annual Audit Plan 2016/17
- EY Annual Fee Letter 2016/17
- Audit Committee Work Programme

Thursday 23rd March 2017

Items covered:

- Health & Safety Work Programme 2017/18
- 2016/17 Service Performance Q3 – October – December
- Red Kite Update
- Regulation of Investigatory Powers Act 2000 (RIPA) Annual Report
- Certifications of Grants Claims
- Proposed Internal Audit Programme 2017-18
- Audit Committee Work Programme

Information Sheets:

Homelessness – Customer Journey
Revenue and Benefits information

Thursday 15th June 2017

Items covered:

- 2016/17 Service Performance Report
- Update on the Whistleblowing Policy
- Draft Annual Governance Statement 2016/17
- EY Progress Report
- EY Annual Fee Letter 2017/18
- Annual review of the Anti-Fraud and Corruption Policy
- Audit Committee Work Programme

Information Sheet:

Health & Safety Annual report

Thursday 21st September 2017

Items covered:

- 2017/18 Service Performance Report (Quarter 1 – April – June)
- Audit, Risk and Fraud Managers Annual Report
- Approval of 2016/17 Statement of Accounts.
- Annual Review of the Anti-Fraud and Corruption Policy
- External Auditor's Audit ISA 260 Audit Results Report
- Treasury Management Annual Report 2017/18 and Prudential Indicators.
- Audit Committee Terms of Reference -Self Assessment of Good Practice
- Implementation of Internal Audit Recommendations
- Audit Committee Work Programme

Thursday 16th November 2017

Items covered:

- 2017/18 Quarter 2 Service Performance Report
- Business Assurance Manager's Half-Yearly Report
- Treasury Management Mid-Year Report 2017/18
- Audit Committee Work Programme

Information Sheets:

Health and Safety 2017-18 – mid-year progress report
Update on the local Code of Governance Action Plan

PRESENTATIONS

During the year, a series of presentations were made to the members of the Audit Committee. The presentations were made in support of the Committees terms of reference and to ensure that Members were aware of the relevant policies and procedures in operation at the Council. The following presentations were made:

Framework for Corporate Governance and its compliance with Delivering Good Governance in Local Government Framework 2016. (March 2017)

Knowing What Counts "Interpreting, reviewing and challenging local government accounts". (September 2017)

In addition, members of the Audit Committee were invited to attend Members Training Seminar that included a presentation on "The Work of the Corporate Investigation Team". (September 2017)

APPENDIX 2 – 2018 FORWARD WORK PROGRAMME

Thursday 25th January 2018

Items to be covered:

Draft Audit Committee Annual Report
Annual Review of the Risk Management Policy
Treasury Management Strategy 2018/19
Ernst & Young Annual Audit Plan & Annual Fee Letter
2017/18 Q3 Service Performance Report (*)
Certification of Grants and Claims Annual Report
Strategic Risk Register - Quarter 3 Monitoring Report
Audit Committee Work Programme

(*) Information Sheet

31st May 2018

Items to be covered:

Proposed Internal Audit Programme 2018/19
Internal Audit Charter 2018/2019
Regulation of Investigatory Powers Act Annual Report
Health & Safety Annual Report 2017/18 and Work Programme 2018/19
Annual Review of Anti-Fraud & Corruption Policy
Draft Annual Governance Statement
Audit Committee Terms of Reference - Self-Assessment of Good Practice
2017/18 Q4 and End of Year Service Performance Report (*)
Audit Committee Work Programme

(*) Information Sheet

26th July 2018

Items to be covered:

Approval of 2017/18 Statement of Account
External Audit- ISA 260 Audit Results Report
Higginson Park Trust Annual Report and Accounts for 2017/18
Business Assurance Manager's Annual Report
2018/19 Q1 Service Performance Report (*)
Audit Committee Work Programme

25th October 2018

Items to be covered

Treasury Management Annual report 2017/18 Prudential Indicators

2018/19 Q1 Service Performance Report (*)

Implementation of agreed Internal Audit recommendations

Health & Safety Mid-Year Progress Report

2018/19 Q2 Service Performance Report (*)

Audit Committee Work Programme

(*) Information Sheet

DRAFT