

AUDIT COMMITTEE

9 MARCH 2015

Present: Councillors Clark (Vice-Chair), Birch, Charman and Edwards (as the duly appointed substitute for Councillor Beaver)

29. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Beaver and Westley.

The members of the Audit Committee were informed that this was the last meeting to be attended by the Director of Corporate Resources who was retiring. The Committee thanked him for his contribution during the past years and extended their best wishes for his retirement.

30. DECLARATIONS OF INTEREST

There were no declarations of interest made at this meeting.

31. MINUTES OF THE MEETING HELD ON 21 JANUARY 2015

RESOLVED – (unanimously) that the minutes of the meeting held on 21 January 2015 be approved and signed by the Chair as a true record.

32. NOTIFICATION OF ANY ADDITIONAL URGENT ITEMS (IF ANY)

None.

33. EXTERNAL AUDIT PLAN TO THE AUDIT COMMITTEE (AUDIT FOR THE YEAR ENDED 31 MARCH 2015)

The Chief Auditor introduced his report on the External Audit Plan. The report provided an update of BDO's audit plan for the audit of the Council's accounts and Value for Money arrangements. The plan identified the significant risks along with planned work in response to those risks. It also provided a timetable and proposed fee for work to be undertaken. The BDO Audit Plan to the Audit Committee (Audit for the year ending 31 March 2015) was appended to the report.

Leigh Lloyd-Thomas, BDO Partner, presented the plan. He informed the committee of three significant risks; management override, revenue recognition and land and buildings valuations. The management override and revenue recognition risks were generic and there was a brief discussion on land and buildings valuations.

RESOLVED – (unanimously) that the Audit Committee accept the External Auditor's Audit Plan.

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34. PLANNING LETTER 2015/16

The Chief Auditor introduced his report setting out the Planning Letter to consider the matters raised by the Council's external auditors (BDO) in respect of their proposed audit fees and programme of work for the 2015/16 financial year. The Planning Letter to the Audit Committee was appended to the report.

Leigh Lloyd-Thomas presented the letter. He confirmed that the overall fee for the audit for 2015/16 had been reduced by 25%.

The Director of Corporate Resources explained that the Audit Fee had in fact halved over the last four years.

Leigh Lloyd-Thomas assured the Committee that BDO would not compromise its reputation and that through smarter working; the Council will still receive a thorough audit.

RESOLVED – (unanimously) that the Audit Committee accepts the Planning Letter 2015/16.

35. PROPOSED INTERNAL AUDIT PLAN 2015/16

The Chief Auditor presented his report on the proposed internal audit plan for 2015/16. The plan will ensure that proper financial management arrangements and controls are in place and operating effectively in the Council.

The Chief Auditor circulated an amended plan. He advised of 2 additional audits; Business Continuity Planning, in response to the recent South Oxfordshire District Council fire incident and a value for money audit to be advised nearer the time.

The Social Lettings Agency prompted a lot of questions and discussion by the Audit Committee. The Social Lettings Agency starts in April 2015 and the audit of it is planned for January 2016.

The Social Lettings Agency will be looked at by Overview and Scrutiny and it is expected that the 2 reviews will complement each other.

Councillor Clark enquired whether the scheme had been risk assessed. The Chief Auditor agreed to arrange for the full operational risk register covering the Social Lettings Agency to be presented at the Audit Committee on 22 June 2015.

Councillor Edwards enquired about the proposed software licences audit. The Chief Auditor confirmed that the number of software licences across the council was decreasing but that another council had recently received a large fine for using unlicensed software.

RESOLVED – (unanimously) that the Audit Committee approves the amended Internal Audit Plan 2015/16.

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(The Chair declared the meeting closed at. 6.48 pm)