



**MINUTES OF A MEETING OF THE AUDIT COMMITTEE
HELD AT THE TOWN HALL, PETERBOROUGH ON 8 FEBRUARY 2016**

Present: Councillors Aitken (Chairman), Over (Vice Chairman), Scott, Sylvester, F Fox, Shaheed and Lane.

Officers in

Attendance: Steven Pilsworth, Service Director Financial Services
Steven Crabtree, Chief Internal Auditor
Pippa Turvey, Senior Democratic Services Officer

Also in

Attendance: Julian Rickett, PricewaterhouseCooper

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Sharp.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES OF THE MEETING HELD ON MONDAY, 9 NOVEMBER 2015

The minutes of the meeting held on Monday, 9 November 2015 were approved as an accurate and true record.

4. Annual Audit Letter and Other External Audit Reports

The Chairman thanked Julian Rickett, PricewaterhouseCooper (PwC), for his work with the Audit Committee over the past seven years. This was to be the last Committee meeting with PwC as the Council's external auditors prior to Earnest and Young taking over the role.

The Head of Strategic Finance and Julian Rickett, PwC introduced a report to Members of the Audit Committee, which outlined the 2014/2015 Annual Audit Letter and 2014/2015 Grant Claims: Annual Certification Report.

Observations and questions were raised and discussed including:

- An unqualified opinion had been issued for the Annual Audit Letter. PwC did not have any specific issues to highlight to the Committee.
- The Code of Audit Practice required a review of the Council's treatment on accounting for school's non-current assets. For a number of schools the assets were, correctly, not recorded, however the Council still held the legal title of the assets. This would need to be updated.
- In relation to the Grant Claims: Annual Certification Report, PwC's opinion was qualified. This, however, was not irregular as PwC has little leeway to apply any judgements around materiality.
- The value of the Housing Benefit Subsidy was approximately £73 million, which had been altered by £32 following the Certification Work.
- PwC had raised a number of points in their Annual Certification Report two years. Improvements had been made last year and continued into this year.

The Committee:

- 1) Considered and endorsed the 2014/15 Annual Audit Letter; and
- 2) Consider and endorse the 2014/2015 Grant Claims: Annual Certification Report.

INFORMATION AND OTHER ITEMS

5. USE OF REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA)

The Committee noted that there had been no RIPA authorisations in this quarter.

6. APPROVED WRITE-OFFS EXCEEDING £10,000

The Committee noted that there had been no write-offs for the Council exceeding £10,000.

7. FEEDBACK REPORT

The Chairman introduced a report, which provided feedback on items considered or questions raised at the previous meeting of Audit Committee. It also provided an update on specific matters which were of interest to the Committee or where the Committee had requested to be kept informed of progress.

In response to questions from the Committee the Head of Strategic Finance advised that, as per Treasury Management Strategy, the Council did not invest funds in overseas banks. As the Royal Bank of Scotland possessed an A+ rating and not an A++ or and A+++, monies were only held with them for short term.

The Committee:

Noted the feedback report.

8. WORK PROGRAMME

The Chairman submitted the latest version of the Work Programme for the Municipal Year 2015/2016 for consideration and approval. The standard report provided details of the proposed Work Programme for the Municipal Year 2015/2016 together with any training needs identified.

The Head of Strategic Finance advised that an additional report would be required for the Audit Committee meeting on 21 March 2016, in relation to issues emerging from the Account and Audit Regulations 2015.

The Committee:

Noted and approved the 2015/2016 Work Programme, with the addition of:

- 21 March 2016 – Issues Emerging from the Account and Audit Regulations 2015

7:00pm – 7:20pm
Chairman