

**Audit & Governance Committee
Annual Report 2015/16**

The Audit & Governance committee has met on five occasions so far this year, with one further meeting scheduled for the end of March. The committee are presented with regular Internal Audit and Risk Management reports, all of which demonstrate that this Council is maintaining a high standard of internal control. This is backed up by the reports of the external auditors, Grant Thornton. I've selected some highlights of the key areas of business as follows:

3rd June 2015

- **Review of amendments to the Constitution**
The committee reviewed the amendments tabled at Council on May 26th 2015. There were no major amendments and the committee endorsed the report.
- **Review of the Effectiveness of the System of Internal Control**
This review is to ensure that our internal controls are robust and compliant with the Public Sector Internal Audit Standards. It is pleasing to report that this authority has set very high standards of internal control and the committee endorsed the annual review, with no areas of concern noted.

25th June 2015

- **Draft Annual Statement of Accounts 2014/15**
Current regulations stipulate that the draft statement of accounts is presented by June 30th each year, to be audited and signed off by September 30th. The Accounts and Audit Regulations 2015 state that from 2017/18 the draft accounts will be required by May 31st and the audited version by July 31st. This will undoubtedly put additional pressure on the authority and also the external auditors.

Being proactive, our Finance team planned to produce a draft version of the Statutory Accounts for 2014/15 by May 31st, despite not being required to do so, to test their ability to meet the new deadlines. I'm pleased to report that they achieved this with a first draft being provided to the Audit and Governance Committee on May 29th 2015. This test will ensure that come 2017/18 we are ready to meet the new deadlines. The draft version was to be audited by September 30th as per the current regulations.

24th September 2015

- **Grant Thornton – Audit Findings for Tamworth Borough Council**
This report covered the year ending March 31st 2015. The key messages arising from the audit of the Council's financial statements were that
 - a) the draft accounts were of good quality
 - b) the audit did not identify any material misstatements
 - c) finance staff responded promptly to audit queries, facilitating the prompt completion of the audit.

Additionally, no control weaknesses were identified in the report. This is a further reflection of the good work undertaken throughout the year by the officers and their teams.

Working with the criteria published by the Audit Commission the auditors were also satisfied that the Council has in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

- **Annual Statement of Accounts 2014/15**
The external auditors required some minor presentational amendments to the draft accounts, produced earlier in the year. These had no impact on the reported outturn position or net balances of the General Fund, Housing Revenue Account or Collection Fund so the committee was happy to approve the Statement of Accounts.

29th October 2015

- **Fraud and Corruption Update Report**
The Council appointed a Corporate Anti Fraud Investigation Officer with effect from September 1st. This post will ensure that the Authority is taking a more proactive role in countering fraud, whilst fulfilling the requirement to investigate the residual Benefits and Council Tax Reduction Scheme Fraud that has not been transferred to the DWP. The intention is that the appointment will make us proactive in spotting potential fraud at the early stages, rather than reacting to instances of fraud.

28th January 2016

- **Regulation of Investigatory Powers Act 2000 – Adoption of Policy**
The Protection of Freedoms Act 2012 now requires that local authority authorisations under RIPA for Directed Surveillance or CHIS can only become effective on the granting of an order approving the authorisation by a Justice of the Peace. Further, a local authority can now only have an authorisation under RIPA for the use of Directed Surveillance where the local authority is investigating criminal offences which attract a maximum custodial sentence of six months or more, or criminal offences relating to the underage sale of alcohol or tobacco under the Licensing Act 2003 or the Children and Families Act 2014.

No Directed Surveillance has been carried out by the Council since 2011 and it is not envisaged that there will be any appreciable change in the foreseeable future. It is seen as the last resort. By adhering to this Policy the Council will ensure that the acquisition and disclosure of data is lawful, necessary and proportionate so that the Council is not held to be in breach of Article 8 of the European Convention on Human Rights (the right to respect for private family life, home and correspondence).

Finally I would like to place on record, on behalf of the Committee, my thanks to the officers and their teams for their work in producing accounts and reports throughout the year and ensuring that this Council meets the requirements of the various pieces of legislation currently in force.