

# NORTHAMPTON BOROUGH COUNCIL

## AUDIT COMMITTEE

Tuesday, 9 September 2014

**PRESENT:** Councillor Larratt (Chair); Councillors Flavell, Nunn and Strachan.

### 1. APOLOGIES

Apologies were received from Councillors Conroy, Hibbert and Palethorpe.

### 2. MINUTES

The Minutes of the meeting held on 28 July 2014 were confirmed and signed by the Chair as a true record.

### 3. DEPUTATIONS / PUBLIC ADDRESSES

There were none.

### 4. DECLARATIONS OF INTEREST

There were none.

### 5. MATTERS OF URGENCY WHICH BY REASON OF SPECIAL CIRCUMSTANCES THE CHAIR IS OF THE OPINION SHOULD BE CONSIDERED

There were none.

### 6. STATEMENT OF ACCOUNTS 2013/14 AND ANNUAL GOVERNANCE STATEMENT 2013/14

The Chief Finance Officer submitted a report which presented the audited Statement of Accounts 2013/14, the Annual Governance Statement 2013/14 and the Council's Letter of Representation. The Council's external auditors (KPMG) had audited the accounts and had subsequently produced a Report to those Charged with Governance (ISA 260) 2013/14. The external auditor's report at agenda item 7 was considered before the recommendations in this report were discussed.

KPMG in their audit had not identified any material adjustments. An ongoing investigation was being undertaken by KPMG following an objection by a member of the public during the statutory period of inspection of the Statement of Accounts in respect of the Council's decision to incorporate the opening of part of Abington Street to traffic in the capital programme.

The Assistant Head of Finance tabled a list of changes, not fundamental, made to the Statement of Accounts since the draft had been published in the agenda, along with an amended Letter of Representation and an additional recommendation to the report.

In answer to members' questions the Chief Finance Officer stated that:

- There was a medium term strategy in respect of the potential impact of the austerity measures on the Council's assets, although this remained an on-going concern;
- In respect of building control, the Council was allowed to recover its costs and some extra income was being generated. He did not have concerns regarding this area but

would look into the issue further.

The Chief Finance Officer thanked his team for producing the Statement of Accounts for sign off at this meeting, which was the earliest date the Committee had ever signed them off. He stated that under the proposals being consulted on by the Government the accounts would be brought to the Committee for sign off by 31<sup>st</sup> July each year from 2017.

**RESOLVED:**

1. That the Statement of Accounts (as amended by Appendix 1, as tabled) be approved, subject to any changes arising from the consideration of the report of the external auditor.
2. That the Annual Governance Statement (Appendix 2) be noted.
3. That the Council's Letter of Representation (as tabled) be approved.
4. That authority be delegated to the Chief Finance Officer, in liaison with the Chair of the Audit Committee, to make any minor amendments to the Statement of Accounts necessary prior to publication.
5. That the officers be thanked for satisfactorily completing the Statement of Accounts.

**7. REPORT TO THOSE CHARGED WITH GOVERNANCE (ISA 260) 2013/14**

Neil Bellamy (KPMG) submitted a report which presented the external auditor's opinion on the Council's Statement of Accounts. The external auditor's report was considered before the recommendations in the report at agenda item 6 were discussed.

KPMG had concluded that the Council had made proper arrangements to secure economy, efficiency and effectiveness in its use of resources and would give an unqualified opinion on the accounts. The audit could not be formally concluded until the completion of an ongoing investigation being undertaken by KPMG following an objection by a member of the public during the statutory period of inspection of the Statement of Accounts in respect of the Council's decision to incorporate the opening of part of Abington Street to traffic in the capital programme. This investigation had to be completed within nine months of the date of the objection, which would be during April 2015.

KPMG had made two recommendations to the Council, as set out in their report, both of which had been agreed by management.

**RESOLVED:**

That the report be noted and received.

**8. EXCLUSION OF PUBLIC AND PRESS**

The Chair moved that the Public and Press be excluded from the remainder of the meeting on the grounds that there was likely to be disclosure to them of such categories of exempt information as defined by Section 100(1) of the Local Government Act 1972 as listed against such items of business by reference to paragraph 3 of Schedule 12A to such Act.

The Motion was Carried.

**9. EMPTY HOMES**

Chris Dickens (PwC) submitted the internal auditor's report on Empty Homes.

**RESOLVED:**

That the report be received and noted.

**10. ABSENCE MONITORING REPORT**

During consideration of item 9, the Chair stated that at the previous meeting of the Committee the relevant officers had been invited to attend this meeting to discuss the Absence Monitoring Action Plan but the item was not on this agenda.

**RESOLVED:**

That the relevant officers be asked to attend the next meeting of the Committee to discuss the Absence Monitoring Action Plan

The meeting concluded at 7:09 pm