

# AUDIT, GOVERNANCE & STANDARDS COMMITTEE

Monday 21<sup>st</sup> March  
2016

Is the final decision on the recommendations in this report to be made at this meeting?

**Yes**

## Audit Committee Update – March 2016

|                                       |   |
|---------------------------------------|---|
| <b>Final Decision-Maker</b>           | Audit, Governance & Standards Committee                   |
| <b>Lead Head of Service</b>           | Head of Finance & Resources                               |
| <b>Lead Officer and Report Author</b> | Paul Holland, Senior Finance Manager – Client Accountancy |
| <b>Classification</b>                 | Public  |
| <b>Wards affected</b>                 | N/A   |

### **This report makes the following recommendations to this Committee:**

1. It is recommended that the Audit, Governance & Standards Committee notes the External Auditor's update report attached at Appendix A

### **Issues for Consideration:**

To consider the report of the External Auditor on the proposed Audit Programme for 2015/16. Representatives from Grant Thornton UK LLP will be present at the meeting to present their report and answer any questions.

### **This report relates to the following corporate priorities:**

- Securing a successful economy for Maidstone Borough – delivery of value for money services.

### **Timetable**

| <b>Meeting</b>                          | <b>Date</b>                 |
|---|-----------------------------|
| Audit, Governance & Standards Committee | 21 <sup>st</sup> March 2016 |

# Audit Committee Update – March 2016

## 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report is to communicate to the Audit, Governance & Standards Committee a report on the progress in delivering the responsibilities of the Council's External Auditors.
  - 1.2 The report also includes emerging issues and developments relevant to the Council along with any questions that may arise as a result of those emerging issues.
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## 2. INTRODUCTION AND BACKGROUND

- 2.1 The Audit Committee Update Report will provide a report on the progress of the work of the External Auditor's Grant Thornton UK LLP, in discharging their responsibilities as outlined in the above at Paragraph 1. A copy of the report is attached at **Appendix A**.
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## 3. REASONS FOR RECOMMENDATIONS

- 3.1 External Audit Services are provided by Grant Thornton UK LLP who successfully tendered for the five year contract from 2012/13 following the abolition of the Audit Commission's audit practice.
- 3.2 Members have previously indicated that they found this type of report to be useful.
- 3.3 Representatives of Grant Thornton UK LLP will be at the meeting to present the report and answer any questions.

### **Alternative action and why not recommended**

- 3.4 In accordance with the respective responsibilities of both the External Auditor and the Audit and Governance Committee, a progress report update of this nature is judged to be appropriate for consideration. To not consider the report could weaken the Audit, Governance & Standards Committee's capacity to discharge its responsibilities in relation to External Audit and governance.
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#### 4. CROSS-CUTTING ISSUES AND IMPLICATIONS

| Issue  | Implications   | Sign-off                                |
|--|--|---|
| <b>Impact on Corporate Priorities</b>        | The report is focused on ensuring that the Auditor's Opinion on the 2015/16 Financial Statements is issued by the Statutory deadline of the 30 <sup>th</sup> September 2016.   | Head of Finance & Resources             |
| <b>Risk Management</b>                       | This report supports the Committee in the delivery of its Governance responsibilities. It also helps to mitigate the risk of non-compliance with the statutory timetable for production and audit of the annual accounts through timely communication of any potential issues. | Head of Finance & Resources             |
| <b>Financial</b>                             | The financial implications arising from the proposed work will be contained in the Audit Plan referred to in the Report at <b>Appendix A</b>   | Head of Finance & Resources             |
| <b>Staffing</b>                              | None   | [Head of Service]                       |
| <b>Legal</b>                                 | None   | [Legal Team]                            |
| <b>Equality Impact Needs Assessment</b>      | None   | [Policy & Information Manager]          |
| <b>Environmental/Sustainable Development</b> | None   | [Head of Service or Manager]            |
| <b>Community Safety</b>                      | None   | [Head of Service or Manager]            |
| <b>Human Rights Act</b>                      | None   | [Head of Service or Manager]            |
| <b>Procurement</b>                           | None   | [Head of Service & Section 151 Officer] |
| <b>Asset Management</b>                      | None   | [Head of Service & Manager]             |

## **5. REPORT APPENDICES**

The following documents are to be published with this report and form part of the report:

- Appendix A: Grant Thornton Progress Report and Update
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## **6. BACKGROUND PAPERS**

None