

GRANT THORNTON ANNUAL AUDIT LETTER 2013/2014

Relevant Portfolio Holder	Cllr Michael Webb
Portfolio Holder Consulted	Yes
Relevant Head of Service	Jayne Pickering – Exec Director Finance and Resources
Ward(s) Affected	All Wards
Ward Councillor(s) Consulted	No
Key Decision / Non-Key Decision	Non–Key Decision

1. SUMMARY OF PROPOSALS

- 1.1 To present to Members the Grant Thornton Annual Audit Letter which summarises the key findings arising from the work that we have carried out at the Council for the year ended 31 March 2014.

2. RECOMMENDATIONS

- 2.1 **The Board is asked to note the Audit Letter as included on Appendix 1.**

3. KEY ISSUES

Financial Implications

- 3.1 The Grant Thornton fee for the 2013/14 audit fee is £69k. The Audit Commission sets the scale fee on which the audit fee is based.

Legal Implications

- 3.2 The Council has a statutory responsibility to comply with financial regulations.

Service / Operational Implications

- 3.3 The Annual Audit Letter 2013/14 from Grant Thornton details their findings and recommendations as a result of the work undertaken as part of the final accounts for 2013/14. This includes; Financial Statements, Value for Money Judgement, Whole of Government Accounts (WGA) and Grant Claims.
- 3.4 Unqualified opinions were given for the Accounts and the Value for Money Judgement. In addition no issues were raised in the WGA Statements. The Audit of the benefit claims are ongoing as these are undertaken in line with DWP requirements.

- 3.5 There were 5 recommendations arising from their work which are detailed with the officer recommendations in the report. These include:
- Improvements to Financial Monitoring particularly forecasting and outturn savings being identified
 - *Further training is being undertaken with budget holders. New Finance system will enable on-line access to budget monitoring..*
 - Performance Management arrangements to be in place
 - *Management Team currently considering options for development of reporting framework of measures to enable members to consider the information.*
 - Financial Ledger implementation needs to be resourced and planned effectively
 - *Financial Services Manager leading the project and regular updates to be given to Cabinet and Audit Board. Project Group set up with stakeholder and technical input.*
 - Risk Management Arrangements to be developed further
 - *Corporate Risk Register to be aligned to strategic purposes and management team to continue to embed risk management across the organisation*
 - Capital Projects to be developed with detailed business cases for Members consideration
 - *Business Case already developed for Dolphin Centre and decisions on future capital projects to be supported with similar information.*
- 3.6 Officers will continue to work with both Internal and External Audit to ensure the recommendations are implemented as reported.

Customer / Equalities and Diversity Implications

- 3.7 There are no implications arising out of this report.

4. RISK MANAGEMENT

- 4.1 As part of all audit work the auditors undertake a risk assessment to ensure that adequate controls are in place within the Council so reliance can be placed on internal systems.

5. APPENDICES

Appendix 1 – Annual Audit Letter Grant Thornton 2013/14

AUTHOR OF REPORT

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