

**AUDIT COMMITTEE
THURSDAY 27 JULY 2017**

ITEM 5 – PUBLIC QUESTIONS AND COMMENTS

Note

At the meeting, a time period of up to 30 minutes, is available for public questions and comments in total. If they wish the questioner at the meeting may ask one supplementary question to the original question, which will be answered without discussion. The supplementary question must be relevant to the original question put to the Chairman.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
1.	Item 11 - External Auditor's Report under International Standard on Auditing (ISA) 260 for the year 2016/17	Mr John Dix	Who was responsible for preparing the accounts, LBB staff or Capita staff?	The responsibility for preparation of annual accounts is in the output specification of the CAPITA, CSG contract.
2.	Item 11 - External Auditor's Report under International Standard on Auditing (ISA) 260 for the year 2016/17	Mr John Dix	Are there any legal or financial penalties for failing to submit unaudited DCT to HM Treasury by 7 th July?	HM Treasury agreed to an extension of the deadline. There were no penalties imposed.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
3.	Item 11 - External Auditor's Report under International Standard on Auditing (ISA) 260 for the year 2016/17	Mr John Dix	Who is responsible for the failure to submit the Pension Fund financial statements on time, the finance team, the pension administrator or the actuaries?	The responsibility for preparation of Pension Fund accounts is in the output specification of the CAPITA, CSG contract.
4.	Item 11 - External Auditor's Report under International Standard on Auditing (ISA) 260 for the year 2016/17	Mr John Dix	Who were the 7 members of the council who failed to supply annual related party declarations and what sanctions will be issued to them for this failure?	Members have been reminded and that necessary declarations should be completed, and the matter has also been referred to the Monitoring Officer.
5.	Item 11 - External Auditor's Report under International Standard on Auditing (ISA) 260 for the year 2016/17	Mr John Dix	The draft Governance Statement was submitted to the Auditor on 19 July. Why was it not submitted sooner?	The draft Annual Governance Statement was submitted to the Auditors at the earliest opportunity and in line with previous years following agreement at senior directors meeting on the 18 July.
6.	Item 11 - External Auditor's Report under International Standard on Auditing (ISA) 260 for the year 2016/17	Mr John Dix	Given the auditor's comments on the sustainability of the finances and the challenges (and failures) in achieving the proposed savings will you make sure that the Leader and all members of the ruling group are informed in writing that this has been specifically identified by the auditor?	The auditor's comments on finances and challenges is consistent with the messages in business planning reports presented to Policy and Resources Committee and is re-enforcing the message of continuing financial challenges and a need to monitor and deliver savings.
7.	Item 11 - External Auditor's Report under International Standard on Auditing (ISA) 260 for the year 2016/17	Mr John Dix	Given the auditor has specifically identified contract management and monitoring as a risk area, will the committee instruct the auditors to carry out a separate exercise to identify how this role can be improved?	The external auditor has identified this as an area that they will review and are undertaking an exercise to review this.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
8.	Item 11 - External Auditor's Report under International Standard on Auditing (ISA) 260 for the year 2016/17	Mr John Dix	Are committee members fulfilling their legal responsibilities if they accept the recommendation to delegate signing off the accounts to the chairman and S151 officer given this is only an interim findings report	The auditors will present their findings at the meeting and committee members will take a view on whether the outstanding items require discussion at an additional meeting if they do not alter the true and fair opinion of the auditor.
9.	Item 11 - External Auditor's Report under International Standard on Auditing (ISA) 260 for the year 2016/17	Mr John Dix	Given there are so many significant points raised by the auditor that remain outstanding will you schedule an additional audit committee meeting in the next 4 -6 weeks so that these points can be addressed and discussed before the accounts are signed off.	This is planned anyway in the event that any changes proposed by the auditors impact the true and fair view.
10.	Item 11 - External Auditor's Report under International Standard on Auditing (ISA) 260 for the year 2016/17	Mr John Dix	Given that from next year the final accounts must be published by 31 st July does the committee have any confidence that this will be achieved bearing in mind the performance this year.	The council has produced statement of accounts and worked with auditors to secure an audit opinion ahead of statutory deadlines in the past five years. Therefore it is anticipated that the statutory deadlines for 2017/18 will be met.