



Lichfield City Council

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Town Clerk: Christopher Moulton

CM/F1/6

2 March 2017

To: Members of the Audit Committee

Councillor D Smedley (Chairman) and Councillors Mrs N Bacon, J Brooks, D Leytham, B McMullan and C Spruce

Also to: Mrs A James (Accounts Officer) & Mr G Keatley (Internal Auditor)

Dear Councillor

Audit Committee

You are invited to attend a meeting of the Audit Committee to be held in **Committee Room No.1 Guildhall**, at **6.30pm** on Thursday, 9 March 2017 for the transaction of the following items of business.

Yours sincerely

Christopher Moulton
Town Clerk

AGENDA

1 APOLOGIES FOR ABSENCE

2 MINUTES

To confirm as a correct record the Minutes of the Audit Committee Meeting held on 10 June 2016, **attached**. [Minutes approved by the City Council on 22 June 2016.]

3 MATTERS ARISING FROM MINUTES

To consider any matters arising from the Minutes of the Audit Committee Meeting held on 10 June 2016.

4 INTERNAL AUDIT REPORT 2016-2017

To consider the detailed report of the Internal Auditor attached.

5 ANNUAL REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROL

To conduct the annual review of the effectiveness of the system of internal control, see **Appendix A** attached (pink).

6 TREASURY MANAGEMENT POLICY AND STRATEGY STATEMENT

To agree the Treasury Management Policy and Strategy Statement 2016-2017, **Appendix B**, attached (yellow)

7 RESERVES POLICY

To consider the proposed Reserves Policy as outlined in the report attached as **Appendix C** (blue)

9 DATE AND TIME OF NEXT MEETING

Scheduled for Friday 9 June 2017 at 6.30pm.

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Lichfield City Council

**Minutes of the Audit Committee Meeting held at 6.30 pm on Monday, 15 June 2015
in Committee Room No.1, Guildhall, Lichfield**

- Present:** Councillor D Smedley (Chairman) and Councillors Mrs N Bacon, and J Brooks.
- Apologies** Councillors D Leytham, B McMullan and C Spruce
- In attendance:** Mr P Young (Town Clerk and RFO), Mrs Alison James (Accounts Officer), and Mr G T Keatley (Internal Auditor)

1 MINUTES

The Minutes of the Internal Control Working Party Meeting held on 24 March 2015 were confirmed as a correct record.

2 MATTERS ARISING FROM MINUTES

None.

3 OUT-TURN REPORT AND STATEMENT OF ACCOUNTS

Members considered the Out-turn Report and draft Annual Return for the year ending 31 March 2015, together with various graphs showing key historic data on City Council income/expenditure from 2001 onwards.

RECOMMENDATION TO COUNCIL:

- 1** *That the Out-Turn Report 2014/15 be received.*
- 2** *That the underspend on 2014/15 budget of £29,597 be re-allocated as follows:*

<u>Budget Head</u>	<u>underspend £ 2014/15</u>	<u>Action</u>
<i>Repairs and Renewals - Guildhall/Donegal House</i>	<i>£9,727</i>	<i>Carry forward to 2015/16 budget as programmed works ongoing</i>
<i>Repairs and Renewals - Johnson Birthplace</i>	<i>£6,625</i>	<i>Carry forward to 2015/16 budget as programmed works ongoing</i>
<i>Capital - Market Square paving</i>	<i>£6,000</i>	<i>Carry forward to 2015/16 budget as programmed works ongoing</i>
<i>Remaining underspend</i>	<i>£7,244</i>	<i>To be added to general balances</i>
	<hr/> <i>£29,597</i>	

- 3** *That in the 2015/16 budget, the budgeted opening balance of £784,311 be amended to £813,908 to reflect the actual balance carried forward.*
- 4** *That the Council as Trustee of the Johnson Birthplace Charitable Trust make a payment of £11,754 from the Trust Funds to the City Council as the contribution to the expenditure incurred by the City Council in operating the Museum during the 2014/15 financial year.*
- 5** *That in respect of the Audit Commission Annual Return for the year ending 31 March 2015:*
- a.** *The Council approve the Accounting statements (Section 1 of the Annual Return) and this be signed by the Mayor on behalf of the Council*
- b.** *The Council consider each item in the Annual Governance Statement (Section 2 of the Annual Return) and approve that this be signed by the*

Mayor and Town Clerk on behalf of the Council

- c. The Council note the Annual Internal Audit Report (Section 4 of the Annual Return).**

4 CHANGES TO SMALLER AUTHORITIES LOCAL AUDIT AND ACCOUNTABILITY

Members were informed that the Local Audit and Accountability Act 2014 and associated new regulations made various changes which affected public accountability for councils below £6.5 million expenditure (called “smaller authorities”). The new requirements arose partly as a consequence of the closure of the Audit Commission from 31 March 2015.

A non-technical Guide to the changes had been produced setting out what smaller authorities needed to do from 1 April 2015, and what would change further from 1 April 2017. A copy of the Guide was included with the agenda report.

RECOMMENDED: That the changes arising from the Local Audit and Accountability Act 2014 be noted.

5 DATE AND TIME OF NEXT MEETING

Scheduled for Wednesday, 23 March 2016 at 6.30pm.

There being no further business the Chairman declared the meeting closed at 7.05pm

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