

Draft response to points raised within the letter to the Chairman of the Audit Committee, dated 1 March 2013, headed:

Understanding how the Audit Committee gains assurance from management

Specific responses to points raised in the letter:

1. Our oversight of management processes relies on the audit plan agreed by the Council's Management Team with the Internal Audit service and the External Auditor. The plan is designed to encompass all the key systems in use at the authority and check the controls within these each year, whilst also examining controls in other systems on a rotating basis of at least every three years.

The Committee is aware that it can influence the work of Internal Audit and that if any Member has concerns the plan can be adapted to cover specific areas. We have a constructive and open relationship with both management and both internal and external audit and have dialogue with both sets of auditors outside of the committee meetings. In this way we remain satisfied that we are addressing any issues that may arise in a timely and appropriate fashion.

Staff can raise their concerns about any aspect of the councils work, or individual behaviour, under the Whistleblowing Policy. Paragraph 2.2 covers the scope of the concerns that could be raised. The policy is advertised within each payslip and appears on the intranet.

2. I am not aware of any breaches of internal control during 2012/13. Where this has happened in the past, the Committee has received regular reports and intended management action from the S151 Officer and the Chief Executive.
3. We are not aware that there have been any breaches or deficiencies in internal control. There have been no actual, suspected or alleged frauds in 2012/13 apart from housing benefit fraud.
4. No, none that would have any bearing on fraud or financial mis-statement.
5. The Audit Committee relies on the overall control framework to ensure that all relevant laws and regulations have been complied with. During the last year we also commissioned a piece of work to look at the extent of existing policies and whether these were adequate. The results formed a report to the Committee and had no high priority findings.
6. No. The only litigation presently in process relates to the Personal Search action but this has been taken into account in the Statements.
7. I do not believe this question is valid in this situation. I am not aware that a local authority could be unviable as a going concern.