

REPORT TO	DATE OF MEETING
Shared Services Joint Committee	25 th January 2016



SUBJECT	PORTFOLIO	AUTHOR	ITEM
Revised Audit Arrangements	N/A	Garry Barclay	4

SUMMARY AND LINK TO CORPORATE PRIORITIES

This report contains the proposed arrangements for a “light touch” audit inspection to be undertaken of the Joint Committee’s financial statements for 2015/16 and also for future years.

The Shared Services Partnership is a high corporate priority for both Councils.

RECOMMENDATIONS

That members approve the revised audit arrangements explained in the remainder of the report.

DETAILS AND REASONING

Members have previously been informed that the implementation of the Local Audit & Accountability Act 2014 brought with it changes to the external audit requirements of joint committees.

The Department for Communities & Local Government (DCLG) has previously notified that from 1st April 2015 joint committees are no longer required to have their accounts separately prepared and audited.

As a consequence in January 2015 members of the Joint Committee approved that:

- No voluntary external audit of the Joint Committee accounts will be required for the period 2015/16 outside of the Local Audit & Accountability Act 2014, and;
- That a “light touch” internal inspection should take place to provide the Joint Committee with assurance in respect of the integrity of the partnership’s year-end financial statements.

It was also agreed that the light touch inspection will be undertaken by the Internal Audit Team within Shared Assurance Services as part of their future Internal Audit Plans.

Given that the host authorities are individually subject to extensive external and internal audit processes, the main purpose of the Joint Committee’s light touch inspection will be to ensure that the financial data contained within its accounts has been correctly extracted from those of the host authorities.

The opportunity will also be taken to include additional checks on the calculation and apportionment of costs (both budgeted and out-turn) between the 2 host authorities to ensure that they are in accordance with the agreed bases.

The reporting template to be utilised for the 2015/16 financial statements and beyond is therefore appended for members’ information, comment and approval.

WIDER IMPLICATIONS

FINANCIAL	There are no financial implications arising from this report.		
LEGAL	The revised audit approach covered by this report demonstrates the Joint Committee's compliance with the Local Audit & Accountability Act 2014.		
RISK	There are no risks associated with this report as the Joint Committee's financial accounts are included within each Council's Statement of Accounts and are therefore audited as part of each Council's external audit processes.		
OTHER (see below)			
<i>Asset Management</i>	<i>Corporate Plans and Policies</i>	<i>Crime and Disorder</i>	<i>Efficiency Savings/Value for Money</i>
<i>Equality, Diversity and Community Cohesion</i>	<i>Freedom of Information/ Data Protection</i>	<i>Health and Safety</i>	<i>Health Inequalities</i>
<i>Human Rights Act 1998</i>	<i>Implementing Electronic Government</i>	<i>Staffing, Training and Development</i>	<i>Sustainability</i>

BACKGROUND DOCUMENTS

Local Audit & Accountability Act 2014

Appendix – Accounting Statements for 2015/16

Budget Out-turn Statement

Description	Budget £	Out-turn £	Variation £	Explanation
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Employee Costs

Transport

Supplies and
Services

LCC Audit Budget

Financial
Management
Information System

TOTAL				
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Funded By:-

CBC				
SRBC				
Total Funding				

Out-turn Allocation Statement

Description	TOTAL OUT-TURN £	SRBC OUT-TURN £	CBC OUT-TURN £	Explanation
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Employee Costs

Transport

Supplies and Services

LCC Audit Budget

Financial Management Information System

TOTAL				
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