

TONBRIDGE & MALLING BOROUGH COUNCIL

GENERAL PURPOSES COMMITTEE

23 June 2014

Report of the Chairman of the General Purposes Committee

Part 1- Public

Delegated

1 COMPLIANCE WITH INTERNATIONAL STANDARDS ON AUDITING

Summary

This report informs Members how the Council has given assurance to the External Auditor that the International Standards on Auditing (UK & I) have been complied with. Members are asked to endorse the assurance already given by the Chairman.

1.1 Background

- 1.1.1 The External Auditor of the Council requires assurance each year that the above standards have been complied with. The responsibility for giving this assurance falls between the Audit Committee and the General Purposes Committee. Therefore both Committees must give this assurance.
- 1.1.2 The assurance is given by the External Auditor providing a set of questions to Management Team and a separate set of questions to Members. The answers to these questions provide the individual assurance for the various areas of the standards.
- 1.1.3 This assurance is required by the External Auditor in the April cycle of meetings to fit in with the presentation of the Annual Governance Statement. As there was not a meeting of the General Purposes Committee at this time the External Auditor accepted assurance from the Audit Committee and assurance from the Chairman of General Purposes Committee.
- 1.1.4 In order to complete the assurance Members of this Committee are requested to consider the responses given and endorse the assurance given by the Chairman.

1.2 Responses to External Auditor

- 1.2.1 As stated above the External Auditor supplied two sets of questions in order to obtain this assurance.
- 1.2.2 The first set of questions was considered by Management Team and the answers provided enabled them to confirm compliance with the standards. **[Annex 1]**

- 1.2.3 The second set of questions was considered by the Audit Committee and the Chairman of General Purposes Committee. The answers provided enabled them to confirm compliance with the standards. **[Annex 2]**

1.3 Legal Implications

- 1.3.1 Failure to comply with these standards could leave the Council open to a higher incidence rate of fraud resulting in additional legal costs to resolve. It could also indicate a failure to comply with the Accounts & Audit Regulations that require the Council to have a satisfactory system of internal control.

1.4 Financial and Value for Money Considerations

- 1.4.1 Non-compliance with these standards could result in additional work being required by the External Auditor to satisfy them that fraud and error were being prevented.
- 1.4.2 Any incidents of fraud require in depth investigation and use considerable resources to resolve. Any cost effective action to prevent instances of fraud will result in resources being diverted to deal with them.

1.5 Risk Assessment

- 1.5.1 It is considered that the risk management system in place supported by the policies and internal controls are sufficiently robust to minimise incidents of fraud and ensure compliance with the standards.

1.6 Equality Impact Assessment

- 1.7 This report is demonstrating how the Council complies with International Standards. These standards are based upon factors outside of equality issues.

1.8 Recommendations

- 1.8.1 General Purposes Committee are requested to consider the evidence provided by the Audit Committee and Management Team and endorse the assurance given by the Chairman of this Committee that the standards have been complied with.

Background papers:

contact: David Buckley

Nil

Councillor M. Balfour
Chairman of General Purposes Committee

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	Confirmation of compliance with standards.
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	No	Confirmation of compliance with standards.
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		N/A

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.