

## Minutes

### Audit and Governance Committee

Venue:	Committee Room
Date:	14 January 2015
Present:	Councillors C Pearson (Chair), J Cattanach, J Crawford, M Dyson, I Nutt and S Shaw-Wright.
Apologies for Absence:	Councillor Mrs C Mackman
Also Present:	Phil Jeffrey , Veritau, Gavin Barker and Rochelle Tribe, Mazars
Officers Present:	Karen Iveson, Executive Director (s151), Gillian Marshall, Solicitor to the Council, and Palbinder Mann, Democratic Services Officer

#### **31. DECLARATIONS OF INTEREST**

There were no declarations of interest.

#### **32. MINUTES**

The Committee considered the minutes from the last meeting held on 24 September 2014.

#### **RESOLVED:**

**To APPROVE, the minutes of the Audit Committee on 24 September 2014, and they be signed by the Chair.**

#### **33. CHAIR'S ADDRESS**

The Chair explained that it was unlikely that any more training would be available concerning Audit before the election.

### **34. INFORMATION GOVERNANCE - A/14/15**

The Solicitor to the Council presented the report on information governance which set out progress towards achieving agreed actions following the review by the internal auditors, Veritau into information governance and data protection arrangements at the Council.

It was clarified that section 1.2 in the report should have read as 'Audit Committee considered the report on 16 April 2014 and asked for a progress report'. It was also clarified that section 2.6 should refer to June 2014 rather than June 2013.

The Solicitor to the Council informed the Committee that all staff had been asked to undertake mandatory training on information governance before the end of January 2015 and there was the ability to monitor which staff had completed the training.

Discussion took place on achieving the Level one standard on the HMG Information Assurance Asset Maturity model standard. The Solicitor to the Council explained that the Council would not meet this standard until the priorities listed in section 2.10 had been achieved. With regard to the standard, it was explained that this was the minimum level to be achieved however a number of aspects of the standard did not apply to local government.

**RESOLVED:**

**To note the report.**

### **35. ANNUAL GOVERNANCE STATEMENT 2013/14 – ACTION PLAN REVIEW – A/14/16**

The Executive Director (s151) presented the report which reviewed progress on the Annual Governance Statement 2013/14 Action Plan which was approved in September 2014. It was explained that satisfactory progress against the actions had been made to date and work was on track for completion by the end of the financial year.

**RESOLVED:**

**To note the Action Plan for the Annual Governance Statement 2013/14.**

### **36. COUNTER FRAUD ANNUAL REVIEW – A/14/17**

The Audit Manager, Veritau presented the report which updated the Committee on new guidance on countering fraud and corruption, counter fraud activity, and the outcomes from a self-assessment of the Council's current arrangements.

The Committee were informed that the Chartered Institute of Public Finance and Accountancy (CIPFA) had issued a new code of practice on managing the risk of fraud and corruption.

**RESOLVED:**

**To note the recent counter fraud publications, investigation activity over the last year, and the outcomes of the review of counter fraud arrangements set out in appendix D.**

**37. INTERNAL AUDIT PROGRESS REPORT 2014/15 – A/14/18**

The Audit Manager, Veritau presented the report which provided the Committee with an update on progress made on delivering the internal audit workplan for 2014/15.

Information was requested on the two cases of actions which had not been implemented following the 2013/14 audits. It was agreed that this information would be circulated to the Committee.

**RESOLVED:**

**To approve the report.**

**38. ANNUAL AUDIT LETTER 2013/14 – A/14/19**

The Senior Manager, Mazars presented the Annual Audit Letter 2013/14.

The Committee were informed that the report summarised the main outcomes from the 2013/14 audit. The Senior Manager, Mazars outlined that there were a number of future challenges for local government such as pressure on finances however it was felt that the Council was suitably prepared for future challenges.

The Senior Manager, Mazars explained that the final fee charged for certification work was £2,500 which was suitably lower than the estimated fee quoted in the report.

**RESOLVED:**

**To note the report.**

**39. CERTIFICATION OF CLAIMS AND RETURNS ANNUAL REPORT 2013/14**

The Senior Manager, Mazars presented the Certification of Claims and Returns Annual Report 2013/14.

The Senior Manager, Mazars explained that the largest claims had resulted in the Housing Benefits service and from the sample testing a high number of errors had been discovered compared to previous years. The Committee was informed that had the errors been classified as local authority errors the Council would have been able to claim an additional £30k in housing benefit

subsidy. The Committee was also informed that the identified issues had been raised with the team and additional training had been provided.

**RESOLVED:**

**To note the report.**

**40. AUDIT PROGRESS REPORT – A/14/21**

The Senior Manager, Mazars presented the Audit Progress Report.

The Committee were informed that the Department for Local Government and Communities (DCLG) had proposed changes to the dates on which accounts must be submitted by, which could come into effect for the 2017/18 financial year onwards. It was explained that the proposal would mean that the Council's accounts would have to be compiled by the end of May instead of June and this would also mean that the audit timetable would be amended so the accounts were audited two months earlier by 31 July instead of by 30 September.

It was also explained that there would be a further 25% reduction in the 2015/16 audit fees for which the Council were charged.

Gavin Barker, Senior Manager, Mazars explained that he would no longer be working with the Council and would be replaced by Rochelle Tribe. He thanked the Committee and all officers for their support during his time spent working with the Council.

The Chair expressed his thanks to Gavin for this work with the Council and wished him well for the future.

**RESOLVED:**

**To note the report.**

**41. PRIVATE SESSION**

**That in accordance with Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business, as there will be disclosure of exempt information as defined in paragraph 3 of Part 1 of Section 12A of the Act, as amended by the Local Government (Access to Information) (Variation) Order 2006.**

**42. REVIEW OF THE RISK MANAGEMENT STRATEGY – A/14/22**

The Audit Manager, Veritau presented the report which outlined to Councillors the reviewed Risk Management Strategy.

A query was raised concerning the role of Councillor Risk Champion. It was clarified that this was the Chair of the Audit and Governance Committee.

**RESOLVED:**

**To endorse the actions of officers in furthering the progress of risk management.**

**43. REVIEW OF THE CORPORATE RISK REGISTER – A/14/23**

The Audit Manager, Veritau presented the report which updated the Committee on movements within the Corporate Risk Register.

**RESOLVED:**

**To endorse the actions of officers in furthering the progress of risk management.**

**44. REVIEW OF THE ACCESS SELBY RISK REGISTER – A/14/24**

The Audit Manager, Veritau presented the report which updated the Committee on movements within the Access Selby Risk Register.

**RESOLVED:**

**To endorse the actions of officers in furthering the progress of risk management.**

The meeting closed at 5:36 pm