



# Minutes

## Audit and Governance Committee

Venue: Committee Room

Date: Tuesday 29 September 2015

Time: 5pm

Present: Councillors M Jordan (Chair), I Reynolds (Vice Chair), K Arthur, Mrs J Chilvers, J Thurlow, P Welch, and Mrs D White (sub for D Buckle).

Apologies for Absence: D Buckle (sub Mrs D White)

Officers Present: Karen Iveson – Executive Director (s151), Jodie Taylor – Lead Officer, Finance, Janet Lornie – Finance Officer, Gavin Barker – Senior Manager, Mazars, Phil Jeffrey – Audit Manager, Veritau and Palbinder Mann, Democratic Services Manager.

Public: 0

Press: 0

### 17. DECLARATIONS OF INTEREST

Councillor Reynolds declared an interest in minute item 22, Statement of Accounts 2014/15 as the re-evaluation of council houses had been carried out by his son who was an employee of Stephensons for whom he was a partner.

### 18. MINUTES

The Committee considered the minutes from the special meeting held on 16 July 2015.

It was agreed to amend the second resolution of item 15, Audit and Governance Committee Work Programme 2015/16 to state the following:

*ii) To include debt management as an item on the work programme, and to ask officers to prepare a report to include information about debt levels and debt write-off which could also consider the potential impact of changes to the payment of housing benefit.*

**RESOLVED:**

**To approve the minutes of the special meeting of the Audit and Governance Committee held on 16 July 2015 with the above amendment and they be signed by the Chair.**

**19. CHAIR'S ADDRESS TO THE AUDIT AND GOVERNANCE COMMITTEE**

The Chair informed the Committee that he would be attending additional training relating to audit organised by Mazars as part of his role as a County Councillor.

**20. AUDIT AND GOVERNANCE COMMITTEE WORK PROGRAMME**

The Committee considered the current work programme.

**RESOLVED:**

**To note the current work programme.**

**21. ANNUAL GOVERNANCE STATEMENT 2014/15 - A/15/7**

The Executive Director (s151) presented the report on the Annual Governance Statement 2014/15 and informed the Committee that the Statement set out the framework for efficient control and governance. The Executive Director (s151) drew the Committee's attention to the issues outlined in the appendix of the report.

With regard to the non-compliance with the Payment Card Industry Data Security Standard, the Executive Director (s151) explained that the recommendations stated in the report would be taken forward.

**RESOLVED:**

**To approve the 2014/15 Annual Governance Statement.**

**22. STATEMENT OF ACCOUNTS 2014/15 - A/15/8**

The Executive Director (s151) presented the Council's Statement of the Accounts for 2014/15 and explained that the business rates income

had been amended which had affected figures throughout the accounts. It was explained that this had been due to Drax Power Station converting to biomass which would allow the Council to keep all its renewable business rates. Due to the changes affecting the accounts, amended pages which were affected were circulated to the Committee.

A query was raised regarding the funding for litigation costs regarding land charges. The Executive Director (s151) explained that there had been a national case regarding how authority could set its charges and this funding was to ensure the Council would provide its share towards the litigation. In response to a further query regarding the developer contribution, it was explained this was additional income that had been received.

Further information was sought on the PFI scheme outlined in the earmarked reserves. It was explained that this related to the social housing project contract with South Yorkshire Housing Association.

The Finance Officer explained the changes to the accounts as a result of the decision relating to Drax Power Station. The Committee were informed that approximately £4.6m would be received by the Council of which £3.5m would go into unusable reserves and £1.1m into earmarked reserves.

With regard to the auditing of the accounts, Gavin Barker from Mazars explained that the auditors had not seen the revised accounts and once these had been assessed and providing there were no issues, an opinion could be provided. The Committee were informed that the deadline for submission of the accounts was midnight on 30 September 2015.

**RESOLVED:**

**To approve the 2014/15 Statement of Accounts subject to the revised accounts being assessed and approved by Mazars.**

**23. AUDIT COMPLETION REPORT AND OPINION ON THE FINANCIAL STATEMENTS – A/15/9**

The Senior Manager, Mazars presented the report and informed the Committee that under the executive summary, assurance from Deloitte had now been received. The Committee's attention was also drawn to the standard risks that were outlined under significant findings.

The Committee were informed that the summary of misstatements would need to be updated due to the latest budget adjustments.

**RESOLVED:**

**To note the report.**

**24. COUNTER FRAUD ANNUAL REVIEW - A/15/10**

The Audit Manager, Veritau presented the report and informed the Committee that the Chartered Institute of Public Finance and Accountancy (CIPFA) had established a new centre of excellence to combat fraud.

A query was raised regarding the Department for Work and Pensions (DWP) Single Fraud Investigation Service. Phil replied that the Council would have to take a decision on its internal fraud service in light of the proposed changes however there were only specific frauds the new service would look at and this would then relate to which staff would be transferred over.

**RESOLVED:**

**To note the report and appendices.**

**25. INTERNAL AUDIT PROGRESS REPORT - A/15/11**

Phil Jeffrey, Veritau presented the report and informed the Committee of the progress of audits to date.

**RESOLVED:**

**To note the report.**

The meeting closed at 6:09pm