

Minutes

Audit and Governance Committee

Venue:	Committee Room
Date:	Wednesday 13 January 2016
Time:	5.00pm
Present:	Councillors M Jordan (Chair), K Arthur, D Buckle, Mrs J Chilvers, I Reynolds, A Thurlow and P Welch.
Apologies:	None.
Officers present:	Karen Iveson, Executive Director (s151), Gillian Marshall, Solicitor to the Council (for minute item 30); Phil Jeffrey, Audit Manager, Veritau; Gavin Barker, Senior Manager, Mazars; Dan Spiller, Senior Auditor, Mazars and Daniel Maguire, Democratic Services Officer
Public:	0
Press:	0

26. DISCLOSURES OF INTEREST

There were no disclosures of interest.

27. MINUTES

The Committee considered the minutes of the Audit and Governance Committee meeting held on 29 September 2015.

RESOLVED:

To approve the minutes of the Audit and Governance Committee meeting held on 29 September 2015.

28. CHAIR'S ADDRESS TO THE AUDIT AND GOVERNANCE COMMITTEE

The Chair welcomed councillors and officers, and offered his best wishes for the New Year.

The Chair reported that he would be attending an Audit Forum on 3 February with other Audit Committee Chairs from neighbouring authorities; this would be an opportunity to share best practice.

The Committee was advised that it would have an opportunity to meet privately with the external auditors, Mazars, prior to the next Committee meeting on 13 April 2016.

29. AUDIT AND GOVERNANCE COMMITTEE WORK PROGRAMME 2015/16

The Work Programme was noted. It was confirmed that future meetings would be preceded by member development sessions, and that these sessions would be themed around items on the agenda for each meeting.

30. INFORMATION GOVERNANCE ANNUAL REPORT (REPORT A/15/12)

The Solicitor to the Council presented the report, which updated the Committee on progress relating to Information Governance during 2015.

It was explained that the report followed on from an internal review into Information Governance undertaken in March 2014. Following the internal review a project was established to strengthen Information Governance, and as part of this project, Information Governance was added to the Terms of Reference for the Audit and Governance Committee.

The report noted that the review in 2014 had concluded that the opinion of the auditors was that the Council's systems relating to Information Government provided 'Limited Assurance'. Following this a number of actions had been identified including the appointment of a Senior Information Risk Officer (SIRO) and the appointment of Lead Officers as Information Asset Owners. An Information Governance Framework had been agreed and all staff had received training on this. Information Governance was now also included in induction briefings for new staff.

Issues identified and actioned during 2015 included; information sharing arrangements, information security checks, data protection breaches and Freedom of Information requests.

The Committee asked for further information about the effectiveness of data sharing agreements and in particular the agreement with Yorkshire Water in response to recent flooding incidents.

It was confirmed that the Council was confident that existing procedures were sufficiently robust to meet the requirements of the Information Commissioner, but that independent verification would be sought by way of an internal audit.

The Committee asked about security arrangements in respect of Council employees who might work from home on occasions. It was confirmed that robust systems were in place, including the encryption of laptops and the monitoring of systems by Lead Officers. It was further confirmed that some sections were moving towards fully paper-less systems which would further reduce the risk of document loss.

RESOLVED:

To note the content of the report.

**31. ANNUAL GOVERNANCE STATEMENT – ACTION PLAN REVIEW
(REPORT A/15/13)**

The Executive Director (s151) presented the report, and explained that the Annual Governance Statement accompanied the statutory annual accounts which were published in September 2015. The Action Plan enabled the Audit and Governance Committee to undertake a half-yearly review of progress. The report confirmed that progress had been made against agreed actions, but that there had been some delays regarding some reconciliation particularly with regard to payroll issues.

RESOLVED:

To note the Action Plan for the Annual Governance Statement 2014/15.

32. ANNUAL AUDIT LETTER 2014/15 (REPORT A/15/14)

The Senior Manager (Mazars) presented the Annual Audit Report 2014/15 which summarised the annual audit and confirmed actions that had been completed. The external auditors had issued an unqualified value for money conclusion on 30 September 2015. It was noted in particular that officers had reacted competently and efficiently in handling late adjustments that had arisen due to external factors. It was confirmed that the Council had continued to be proactive in looking at value for money through projects such as 'Better Together'.

RESOLVED:

To note the Annual Audit Letter 2014/15.

33. EXTERNAL AUDIT PROGRESS REPORT (REPORT A/15/15)

The Senior Manager (Mazars) presented the Audit Progress Report for January 2016, which highlighted work undertaken since the previous report in September 2015. It was confirmed that the 2014/15 Annual Audit had been completed by the statutory deadline of 30 September 2015, and that the Audit had concluded unqualified opinions on the Council's financial statements and on the value for money conclusion.

The report confirmed that the Housing Benefits Subsidy Claim 2014/15 had been completed and certified before the Department of Work and Pension's deadline of 30 November 2015.

It was noted that work for the next quarter would include; initial planning for the 2015/16 Audit, liaison with internal auditors, continued liaison with senior officers, and undertaking any interim substantive testing. A detailed Audit Strategy Memorandum would be presented to the next meeting of the Audit and Governance Committee on 13 April 2016.

The Committee was informed of some personnel changes within Mazars. Suresh Patel had replaced Cameron Waddell as the Engagement Lead for Selby District Council. Dan Spiller was introduced to the Committee, and would be working alongside Gavin Barker as the Team Leader.

RESOLVED:

To note the External Audit Progress Report, January 2016.

34. INTERNAL AUDIT PROGRESS REPORT (REPORT A/15/16)

The Audit Manager (Veritau) presented the report, which provided the Committee with an update on progress made in delivering the internal audit work plan for 2015/16 and summarised the findings of recent internal audit work.

The report noted that there were thirteen audits in progress, three reports were at draft stage and three reports had been finalised since the previous meeting. It was anticipated that the performance target of 93% of the agreed Audit Plan to be delivered would have been exceeded by April 2016.

It was noted that 35 agreed actions from the 2014/15 audits had been followed up with the relevant officers. Of these, 30 had been satisfactorily implemented and the remaining 5 had been assigned a revised target date. In response to a question from the Committee it was confirmed that a revised target date did not increase exposure to risk, and that the reason for a revised target date could have been due to a variety of valid reasons.

RESOLVED:

To note the Internal Audit Progress Report.

35. PRIVATE SESSION

RESOLVED:

To exclude the press and public from the meeting during discussion of the following items, in accordance with Section 100(A)(4) of the Local Government Act 1972 and in view of the nature of the business to be transacted, as there was likely to be disclosure of exempt information. The exempt information being that defined in paragraph 3 of schedule 12A as information relating to the financial or business affairs of any person, including that of the authority holding the information. It was in the public interest to exempt this information as it included detail about how the Council manages risk and specifically the risks that were being actively managed (including their likelihood, impact and mitigating actions) which, if disclosed, could allow third parties to use this information against the Council. Consequently, disclosure of the detail of risk management was not considered to be in the interests of taxpayers, although inclusion on Audit and Governance Committee agendas and the coverage of the Annual Governance Statement should provide assurance that risk was being managed effectively.

36. REVIEW OF THE RISK MANAGEMENT STRATEGY (REPORT A/15/17)

The Audit Manager (Veritau) presented the report, which presented the Committee with the revised Risk Management Strategy. It was confirmed that only minor amendments had been made as part of the review.

RESOLVED:

To note the report and endorse the actions of officers in furthering the progress of risk management.

37. REVIEW OF THE CORPORATE RISK REGISTER (REPORT A/15/18)

The Executive Director (s151) presented the report of the Audit Manager (Veritau), which updated the Committee on movements within the Corporate Risk Register. The Committee were able to ask questions to both the Executive Director (s151) and the Audit Manager (Veritau) about specific risks.

RESOLVED:

To note the report and endorse the actions of officers in furthering the progress of risk management.

38. REVIEW OF THE ACCESS SELBY RISK REGISTER (REPORT A/15/19)

The Executive Director (s151) presented the report of the Audit Manager (Veritau), which updated the Committee on movements within the Access Selby Risk Register. The Committee were able to ask questions to both the Executive Director (s151) and the Audit Manager (Veritau) about specific risks.

RESOLVED:

To note the report and endorse the actions of officers in furthering the progress of risk management.

The meeting closed at 6.45pm.