

## AUDIT AND GOVERNANCE COMMITTEE

**HELD: 30 JUNE 2015**

Start: 7.00pm

Finish: 8.35pm

### PRESENT:

Councillors: Bullock (Chairman)

Mrs Baybutt	Mee
Blane	Pendleton
Devine	Pryce-Roberts
Dereli	Pope
J Hodson	Whittington
	Wynn

Officers: Borough Treasurer (Mr M Taylor)  
Borough Solicitor (Mr T Broderick)  
Audit Manager (Mr M Coysh)  
Principal Member Services Officer (Mrs S Griffiths)

In attendance: Paul Thompson of Grant Thornton (External Auditors)

### 1. APOLOGIES

There were no apologies for absence.

### 2. MEMBERSHIP OF THE COMMITTEE

In accordance with Council Procedure Rule 4, the Committee noted the termination of membership of Councillors Gagen, G Hodson and L Hodson and the appointment of Councillors Devine, J Hodson and Wynn for this meeting only, giving effect to the wishes of the Political Groups.

### 3. DECLARATIONS OF INTEREST

There were no declarations of interest.

### 4. MINUTES

RESOLVED That the minutes of the last meeting of the Committee held on 24 March 2015 be approved as a correct record and signed by the Chairman.

**5. GRANT THORNTON UPDATE REPORT AND FEE LETTER**

In a report circulated and contained on pages 7 – 22 of the Book of Reports the Borough Treasurer submitted an update from the External Auditors on progress in delivering their responsibilities against their audit plan; a summary of emerging national issues and developments and a number of challenge questions for the Committee to consider.

Consideration was also given to the External Auditors fee letter which provided details of the planned audit fee for 2015/16, the scope of work covered by the fee and an audit timetable.

The Chairman invited Paul Thompson from Grant Thornton (External Auditors) to present the report and fee letter to the Committee.

Comments and questions were raised in respect of the following:-

- Welfare reform
- Local Authority Trading Companies
- Calculation of audit fees

RESOLVED            That the update report and fee letter be noted.

**6. GRANT THORNTON ASSURANCE LETTER**

Consideration was given to the report of the Borough Treasurer as contained on pages 23 – 32 of the Book of Reports which provided a proposed response to a letter from the External Auditors requesting information on how the Committee gains assurance over management processes and arrangements.

RESOLVED            That the proposed response to the letter set out in Appendix 2 be approved subject to the following amendment:-

“Proposed Response Point R – Final paragraph add “since” before “1<sup>st</sup> April 2014”.

**7. INTERNAL AUDIT ACTIVITY - QUARTERLY UPDATE**

The Borough Treasurer reported upon progress against the 2015/2016 Internal Audit Plan as circulated on pages 33 to 46 of the Book of Reports.

The Audit Manager advised that 18% of the items were currently in progress compared with 19% for the same period in 2014/15 and indicated that more audits would be undertaken this year than in the previous year.

Comments and questions were raised in respect of the following:-

- Housing benefit and Council tax support assessment processes
- Payroll (variations to pay)
- Treasury management (BRRD Directive – Bail-in) (Investments)

RESOLVED            That progress in the year to date be noted.

**8. INTERNAL AUDIT ANNUAL REPORT 2014-15**

The Borough Treasurer presented the 2014-15 Internal Audit Annual Report as contained on pages 47 – 54 of the Book of Reports.

RESOLVED            That the Internal Audit Annual Report for 2014-15 be noted.

**9. ANNUAL GOVERNANCE STATEMENT**

Consideration was given to the Council's Annual Governance Statement for 2014/15 as contained on pages 55 – 74 of the Book of Reports.

Comments and questions were raised in respect of the following:

- Business Plan 2015-18
- Reporting of decisions taken under delegated authority

RESOLVED            That the Annual Governance Statement 2014/2015 as set out in Appendix 1 to the report, be approved and commended to the Leader and Managing Directors for signature.

**10. STATEMENT OF ACCOUNTS**

The Borough Treasurer provided details on the preparation of the Statement of Accounts for the year ended 31 March 2015 as contained on pages 75 – 76 of the Book of Reports.

RESOLVED    A.    That the report be noted.

                  B.    That a further report to approve the audited statement of accounts be submitted to the next meeting of the Committee.

**11. REVISED CONTRACTS PROCEDURE RULES**

Consideration was given to the report of the Borough Solicitor as circulated and contained on pages 77 – 126 of the Book of Reports on proposed revisions to the Contracts Procedure Rules due the requirements of the Public Contracts Regulations 2015 and associated implications for the Council.

RESOLVED That the Contracts Procedure Rules set out in Appendix A to the report be submitted to Council for approval.

**12. REGULATION OF INVESTIGATORY POWERS ACT QUARTERLY MONITORING OF USE OF POWERS**

In relation to the quarterly monitoring of activity under the Regulation of Investigatory Powers Act 2000 (RIPA) the Borough Solicitor reported that there was no relevant activity to bring to the attention of the Committee.

RESOLVED That the update be noted.

**13. WORK PROGRAMME**

Consideration was given to the Committee's work programme as set out at page 127 of the Book of Reports.

It was proposed that future topics for training sessions would be Regulation of Investigatory Powers (RIPA) for March 2016 and an in-depth session on the Council's Accounts for June 2016.

RESOLVED A. That the topics for the following training sessions be approved.

24 March 2016 – RIPA  
June 2016 – Council's Accounts

B. That the Work Programme as revised (taking account of A. above) be approved.

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CHAIRMAN