

## AUDIT & GOVERNANCE COMMITTEE

HELD: **Tuesday, 27 June 2017**

Start: 6.30 pm

Finish: 7.30 pm

### PRESENT:

Councillor: A Yates (Chairman)

Councillors: T Blane  
P Cotterill  
T Devine  
J Gordon  
N Hennessy  
J Mee  
R Pendleton  
E Pope  
A Pritchard

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

Also Present: Karen Murray (Grant Thornton)

#### 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 Aldridge and Pryce-Roberts and the appointment of Councillors Devine and Pritchard respectively for this meeting only, giving effect to the wishes of the Political Groups.

#### 3 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

#### 4 **PUBLIC SPEAKING**

There were no items under this Heading.

#### 5 **MINUTES**

RESOLVED That the minutes of the last meeting of the Committee held on 28 March 2017 be approved as a correct record and signed by the Chairman.

#### 6 **GRANT THORNTON REPORTS**

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 11 – 28 of the Book of Reports the purpose of which was to

receive a Progress Report and Update together with the Planned Audit Fee letter from Grant Thornton (External Auditors).

The Chairman invited Karen Murray from Grant Thornton to present the Progress Report and Update and the Planned Audit Fee letter.

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

Progress Report and Update:-

- addition of links to the reports referred to in the document
- Interim accounts audit – reporting mechanism
- Delivering Good Governance
- The Income spectrum – generic/national report/value for money should include suggestions and advice

Fee Audit Letter:-

- Billing schedule

Karen Murray provided a response to the above comments/questions and the Borough Treasurer indicated that the Annual Governance Statement would be considered at this meeting, the Local Code of Governance is currently included on the Committee's Work Programme and proposed that an item on Income Generation be included and a report submitted to the Committee in due course.

RESOLVED A. That the Progress Report and Update and the Planned Audit Fee letter be noted.

B. That Income Generation be included with the Committee's Work Programme.

## 7 **GRANT THORNTON ASSURANCE LETTER**

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 29 – 34 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.

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

- Whistleblowing Code (Question 3)
- Potential litigation/claims (Question 5)

RESOLVED That the proposed response to the letter set out in Appendix 2 be approved, subject to the inclusion of "Suppliers and Contractors are also encouraged to report any concerns through these arrangements" within the response to Question 3 (Whistleblowing Code).

**8 ANNUAL GOVERNANCE STATEMENT 2016/2017**

Consideration was given to the Council's Annual Governance Statement for 2016/17 as circulated and contained on pages 35 – 41 of the Book of Reports.

Questions and comments were raised in respect of the following issues:-

- Officer Code of Conduct
- Future financial challenges
- Electronic records

RESOLVED A. That the Annual Governance Statement 2016/2017, set out in Appendix 1, be approved and commended to the Leader and Chief Executive for signature, subject to the addition of the following wording in the paragraph Future Financial Challenges:-

“and additional income generation” after “Further significant savings “

B. That a report on Electronic Records be submitted to a future meeting of the Committee.

**9 STATEMENT OF ACCOUNTS**

The Borough Treasurer provided details on the preparation of the Statement of Accounts for the year ended 31 March 2017 as circulated and contained on pages 43 & 44 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.

**10 INTERNAL AUDIT ACTIVITY - QUARTERLY UPDATE**

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 45 - 57 of the Book of Reports which advised of progress against the 2017/18 Internal Audit Plan.

The Audit Manager reported that 17% of the items on the plan were in progress compared to 15% for the same period in the previous year.

RESOLVED That progress in the year to date be noted.

**11 INTERNAL AUDIT ANNUAL REPORT 2016-17**

The Borough Treasurer presented the 2016-17 Internal Audit Annual Report as circulated and contained on pages 59 – 64 of the Book of Reports.

RESOLVED That the Internal Audit Annual Report for 2016-17 be noted.

**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 report be noted.

**13 WORK PROGRAMME**

Consideration was given to the Committee's Work Programme as set out at page 65 of the Book of Reports.

It was proposed that training sessions on 'Income Generation' and 'Pensions' be added to the Work Programme for January and March 2018.

- RESOLVED A. That the Work Programme be noted.
- B. That the training session for January 2018 be on Income Generation.
- C. That the training session for March 2018 be on Pensions.

.....  
**Chairman**