

## AUDIT & GOVERNANCE COMMITTEE

HELD: Tuesday, 28 June 2016

Start: 6.30 pm

Finish: 7.35 pm

### PRESENT:

Councillor: J Bullock (Chairman)

Councillors: T Aldridge  
Currie  
Gordon  
J Mee  
R Pendleton  
Pritchard

T Blane  
N Delaney  
P Hudson  
Mills  
E Pope

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: Karen Murray 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 Cooper, Cotterill, Pryce-Roberts and Bailey and the appointment of Councillors Pritchard, Delaney, Mills and Gordon 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 22 March 2016 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 – 30 of the Book of Reports the purpose of which was to receive a Progress and Update report and the Planned Audit Fee letter from Grant Thornton (External Auditors).

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

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

- Value For Money – financial pressures identified within the key risk register
- Policy Options
- Potential future borrowing
- Highways network Asset (Audit Fee letter)

The Borough Treasurer reported that the Policy Options report would be considered at the Council meeting on 20 July 2016.

**RESOLVED** That the Progress and Update report and the Planned Audit Fee letter be noted.

**7 GRANT THORNTON ASSURANCE LETTER**

Consideration was given to the report of the Borough Treasurer as contained on pages 59 – 64 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.

The Chairman raised questions regarding assurances in relation to cash handling and staff undertaking journal transactions. The Borough Treasurer provided a response to the Committee to these items.

**RESOLVED** That the proposed response to the letter as set out in Appendix 2 to the report be approved.

**8 INTERNAL AUDIT ACTIVITY - QUARTERLY UPDATE**

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 31 – 38 of the Book of Reports which advised of progress against the 2016/17 Internal Audit Plan.

The Internal Audit Manager informed Members that the shortfall in resources arising from the vacancy referred to in the report had been addressed through an agency placement to secure progress against the current plan.

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

- Universal Credit – Council tax/housing benefit suspension and effect of associated arrears on Council revenue/alternative payment arrangements.

RESOLVED            That progress in the year to date be noted.

## 9            **INTERNAL AUDIT ACTIVITY - ANNUAL REPORT 2015-16**

The Borough Treasurer presented the 2015-16 Internal Audit Annual Report as circulated and contained on pages 39 – 44 of the Book of Reports.

Questions and comments were raised in relation to the following issues:-

- Future external assessments of the Quality Assurance and Improvement Programme (QAIP)
- Work streams within the current Internal Audit Plan to be completed

The Internal Audit Manager indicated that the 2015/16 work streams contained in the table in the report would be completed in due course.

RESOLVED            That the Internal Audit Annual Report for 2015-16 be noted.

## 10          **ANNUAL GOVERNANCE STATEMENT**

Consideration was given to the Council's Annual Governance Statement for 2015/16 as circulated and contained on pages 45 – 54 of the Book of Reports.

RESOLVED            That the Annual Governance Statement 2015/2016 as set out in Appendix 1 to the report, be approved and commended to the Leader and Chief Executive for signature.

## 11          **STATEMENT OF ACCOUNTS**

The Borough Treasurer provided details on the preparation of the Statement of Accounts for the year ended 31 March 2016 as circulated and contained on pages 55 & 56 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.

**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 57 of the Book of Reports.

- RESOLVED
- A. That the Work Programme be noted.
  - B. That Members consider items for future training sessions for consideration at the next meeting of the Committee.

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**Chairman**