

AUDIT & GOVERNANCE COMMITTEE**HELD: Tuesday, 31 January 2017**

Start: 6.30pm

Finish: 7.30pm

PRESENT:

Councillor: J Bullock (Chairman)

Councillors: T Blane J Mee
P Cotterill Owen
S Currie R Pendleton
D Evans E Pope
J Gordon

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 (Grant Thornton)

24 APOLOGIES

Apologies for absence were submitted on behalf of Councillor Hudson.

25 MEMBERSHIP OF THE COMMITTEE

In accordance with Council Procedure Rule 4, the Committee noted the termination of membership of Councillors Pryce-Roberts and Cooper and the appointment of Councillors D Evans and Owen for this meeting only, giving effect to the wishes of the Political Groups.

26 DECLARATIONS OF INTEREST

There were no declarations of interest.

27 PUBLIC SPEAKING

There were no items under this heading.

28 MINUTES

RESOLVED That the minutes of the last meeting of the Committee held on 27 September 2016 be approved as a correct record and signed by the Chairman.

29 GRANT THORNTON ANNUAL AUDIT LETTER

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 261 to 275 of the Book of Reports including as an Appendix Grant Thornton's (External Auditors) Annual Audit Letter for the year ended 31 March 2016.

The Chairman invited Karen Murray (Grant Thornton) to introduce the Annual Audit Letter.

RESOLVED That the Grant Thornton Annual Audit Letter for the year ended 31 March 2016 be noted.

30 GRANT THORNTON CERTIFICATION LETTER

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 277 to 280 of the Book of Reports that introduced the Certification Letter for the year ended 31 March 2016, attached as an Appendix, produced by Grant Thornton (External Auditors).

The Chairman invited Karen Murray (Grant Thornton) to present the Certification Letter to the Committee.

RESOLVED That the Grant Thornton Certification Letter be noted.

31 GRANT THORNTON - PROGRESS UPDATE

Consideration was given to the report of the Borough Treasurer, contained on pages 281 to 295 of the Book of Reports, which detailed Grant Thornton's (External Auditors) update report on a range of matters.

Questions were raised by a Member in relation to the flexible use of capital receipts.

RESOLVED That the Grant Thornton Progress Update report be noted.

32 TREASURY MANAGEMENT

In a report circulated and contained on pages 297 to 300 of the Book of Reports, the Borough Treasurer set out details of the operation of the Treasury Management function.

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

- Yield (percentage rate)
- Use of Capita (length of contract/other providers)
- Economic uncertainty (determination of conditions)

RESOLVED That the continuing effective operation of the Treasury Management function be noted.

33 RISK MANAGEMENT FRAMEWORK AND POLICY UPDATE

The Borough Treasurer submitted a report, as circulated and contained on pages 301 to 314 of the Book of Reports, which set out details of the operation of the Risk Management Framework over the last 12 months, and recommended changes to the current Risk Management Policy.

A Member raised comments and questions in relation to the Council's Risk approach in relation to new proposals/ideas.

RESOLVED (A) That the continuing effective operation of the Risk Management Framework be noted.

(B) That the proposed amendments to the Risk Management Policy be endorsed.

34 INTERNAL AUDIT ACTIVITY - QUARTERLY UPDATE

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 315 to 320 of the Book of Reports which advised of progress against the 2016/17 Internal Audit Plan.

The Audit Manager reported that 62% of the items on the plan were in progress compared to 68% for the same period in the previous year and outlined the reasons for this variance.

RESOLVED That progress in the year to date, be noted

35 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.

36 WORK PROGRAMME

Consideration was given to the Committee's Work Programme as set out at page 321 of the Book of Reports. During consideration of this item a Member raised questions regarding the likely effect of the roll out of Universal Credit on the Housing Revenue Account and the Borough Treasurer responded to the questions raised.

The Borough Treasurer proposed that a training session on The Role of External Audit be added to the Work Programme for September 2017.

- RESOLVED (A) That the Work Programme be noted.
- (B) That the training session for September 2017 be on The Role of External Audit.

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Chairman