

## **AUDIT COMMITTEE**

Minutes of the meeting held on 18 March 2014 commencing at 7.00 pm

Present: Cllr. Grint (Chairman)

Cllrs. Mrs. Bayley, Ms. Chetram, Fittock, McGarvey, Orridge, Mrs. Purves and  
Towell

Apologies for absence were received from Cllrs. Mrs. Cook

### 30. Minutes

Resolved: That the minutes of the Audit Committee held on 14 January 2014 be agreed and signed as a correct record.

### 31. Declarations of Interest

There were no additional declarations of interest.

### 32. Responses of the Council, Cabinet or Council Committees to the Committee's reports or recommendations (if any)

There were none.

### 33. Actions from Previous Meeting (if any)

The Committee noted that a report on the Community Infrastructure Levy (CIL) would be going to Local Planning and Environment Advisory Committee on 25 March 2014, and noted also that the CIL finances would be monitored by the Local Planning and Environment Advisory Committee. The Committee felt that the CIL finances should also be subject to regular audit, and as such would fall under the remit of the Audit Committee.

### 34. Internal Annual Audit Plan 2014/15

The Audit Risk and Anti-Fraud Manager presented a report on the Annual Internal Audit Programme for 2014/15. He advised Members that the objective of the plan was to ensure that Internal Audit delivered reasonable assurance to the Council regarding the effectiveness of internal control, governance and risk management processes to fulfil the Council's statutory responsibilities. The plan had been prepared in accordance with professional guidance and senior management had been consulted as part of the process. The plan contained 20 Audit reviews that would be carried out in 2014/15, one of which was brought forward from the 2013/14 Annual Audit Plan.

In response to a question, the Head of Transformation and Strategy advised Members that there had been substantial changes to the Council's Electoral Process due to recent changes in legislation. The key change being a move from household registration to

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individual voter registration. The rationale behind some of the changes was to address voting irregularities and to make the process more effective.

In response to another question from a Member, the Audit Risk and Anti-Fraud Manager advised Members that the use of short term contracts, or agency staff, could be cheaper due to reductions in overheads for such staff.

Members agreed that a review of markets, which would examine the arrangements in place and proposed changes to the administration of the Council's markets, was a suitable subject for internal audit.

It was mooted whether an Audit should be carried out to assess whether the Council was obtaining good value for money within for postal service. The Audit Risk and Anti-Fraud Manager informed Members that this could be added to the 2014/15 Annual Audit Plan within existing contingency arrangements.

### Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the draft Internal Audit Plan be approved, subject to the inclusion of a short review of postal arrangements.

### 35. Internal Audit Progress Report

The Audit Risk and Anti Fraud Manager presented a report which detailed the progress made by the Audit Team in delivering the 2013/14 Annual Internal Audit Plan and the outcomes of final internal audit reports since the meeting of the Committee on 14 January 2014. Members were advised that since the agenda was published, nearly all of the Audit reports were now at feedback or draft report stage. Repair and Maintenance Arrangements was the only audit review outstanding, and this was being carried forward to the 2014/15 Annual Audit Plan. Due to operational reasons it was not possible to carry out this review during the current financial year.

In response to further questions the Audit, Risk and Anti Fraud Manager explained that there was an initial impact on the progress of the Internal Audit Plan, due to long term sickness of a staff member. However, this has been addressed by the recruitment of agency staffing resources. The Audit Risk and Anti-Fraud Manager also indicated that the officer on long term sickness was expected to return at the end of March. Members expressed the need to ensure that the audit team was appropriately resourced, in order to facilitate effective delivery of all assurance requirements.

A Member raised a query regarding a recommendation in a report issued since the last meeting of the Committee. The Audit, Risk and Anti-Fraud Manager advised that when staff left the Council there should be a minimal delay between the time they left and the time their access account was disabled. However, occasionally the accounts were not disabled promptly, thus posing a small risk to the Council. The recommendation in the report was intended to address this potential risk.

A Member questioned whether the Planning and Development Control audit review included Enforcement within its scope, and whether Councillors would be contacted for

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their feedback. The Audit Risk and Anti Fraud Manager confirmed that Enforcement was included, but there was no requirement for Councillors to be contacted directly for their feedback as part of the audit, although any records available during the audit relating to Member involvement would form a legitimate part of the review.

Following a discussion, Members requested that they would like to receive updated reports on the progress of implementation of internal audit recommendations. The Audit, Risk and Anti-Fraud Manager undertook to include this in future reports to Members. The Committee thanked the Audit Risk and Anti Fraud Manager and his team for their dedication and hard work.

*Action 1: That the Audit, Risk and Anti-Fraud Manager produce details of the progress in implementing audit recommendations at future meetings.*

### Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: The report was noted.

### 36. Risk Management Strategy

The Audit Risk and Anti Fraud Manager presented a report which informed Members of the Council's Risk Management Strategy. It ensured that the Council adopted appropriate objectives for the management of risk which allowed the Council to deliver on the Vision and Promises as set out in the Corporate plan. He informed Members that it had also been updated to reflect the new Management Structure, professional development and regulatory requirements.

In response to a question, the Audit Risk and Anti Fraud Manager advised Members that succession planning would be included within the strategic risk register which was currently being updated to reflect recent developments; and would be sent to Members for their consideration at the next meeting of the Committee.

### Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That Cabinet be recommended to adopt the Council's Risk Management Strategy.

### 37. Work Plan

The Chairman advised Members that the New Audit Standards full report and Strategic Risk Register would move to the work plan for June 2014. He suggested that CIL be moved to the meeting in September 2014. He also advised that he would contact members on an individual basis for their views and comments on the effectiveness of the Audit Committee in its first year of operation.

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THE MEETING WAS CONCLUDED AT 7.53 PM

CHAIRMAN