

**Minutes of the Audit Committee
27 March 2014**

Present:

Councillor D. Gohil (Chairman)
Councillor M.J. Madams (Vice-Chairman)

Councillors:

J. Dale

A.C. Patterson

S. Webb

Apologies: Apologies received from Councillors D. Patel and C.V. Strong.

69/14 Minutes

The minutes of the meeting held on 12 December 2014 were approved as a correct record.

The Head of Audit Services gave an update on the proposal to transfer housing benefit fraud staff to a government department under the Single Fraud Investigation Service initiative. She informed the Committee that a potential scheme with the housing association A2Dominion to provide resources for housing tenancy fraud investigations was being explored. She explained that a legal agreement was being drafted and they were awaiting a response from A2Dominion.

70/14 Disclosures of Interest

There were none.

71/14 Corporate Risk Management – Inspection Regime

The Head of Streetscene gave an update on the provision of internal horticultural expertise to manage the grounds maintenance contract and tree maintenance works. She provided a historical background of developments surrounding the Council's horticultural expertise, clarifying that, during a period of major restructuring in 2009, the disposition of two internal horticultural experts resulted in vast savings for the Council. Some risks were identified at the time however were not deemed significant when compared to the savings.

Since that time, the Head of Streetscene explained that that after the Council let the grounds maintenance contract to Lotus it was identified that internal ground maintenance expertise was needed to mitigate accompanying risks. The Head of Streetscene explained that, due to no other alternative members of staff being suitable, she decided to complete a horticultural qualification to manage the grounds maintenance contract. She explained to the Committee that the course would be completed by the end of the year.

The Committee queried her ability to fully commit to the course and manage the ground maintenance contract considering her other workload demands as a Head of Service and questioned whether she was the right candidate for the

qualification. Despite those concerns the Head of Streetscene reassured the Committee that she is fully committed to the course and has the full intention to complete it by the end of the year.

72/14 Corporate Risk Management

The Head of Audit Services reported that the Corporate Risk Register had undergone its regular quarterly review and update by the Corporate Risk Management Group and Management Team to ensure that actions were being taken to deal with the identified risks.

The revised register was considered to be an accurate reflection of the high level risks affecting the Authority. Progress on actions was documented on the register. She drew particular attention to the recent flooding and notified the Committee that a full review regarding the Council's Emergency Planning will take place. Furthermore she informed the Committee that a public meeting had been scheduled for 5 June 2014 for residents to raise their concerns. The Committee therefore requested the presence of Nick Moon, the Risk and Resilience Manager, at the Audit Committee on 18 September 2014 to provide an update relating to Emergency Planning.

The Head of Audit also raised concern of the potential reputational damage and fines associated with poor information governance. She mentioned that funds for extra resources, to strengthen information governance, had not been approved. The Committee therefore requested an update report and the attendance of Michael Graham, the Head of Corporate Governance, at the next Audit Committee on 26 June 2014.

The Committee requested that Lee O'Neil the Assistant Chief Executive attend the next meeting on 26 June 2014 to provide an update on the Council's performance management arrangements.

Resolved that:

1. The contents of the Corporate Risk Register be noted and accepted;
2. The Head of Corporate Governance to attend the next Audit Committee to outline the steps taken to mitigate the risks associated with information governance.
3. The Assistant Chief Executive to attend the next Audit Committee to outline the steps taken to improve performance management arrangements.
4. The Risk and Resilience Manager, to attend the Audit Committee to be held on 18 September 2014 to answer queries relating to Emergency Planning.

73/14 External Audit – Certification of grants and returns 2012/13

The Head of Audit Services outlined the certification of grants and returns 2012/13 report which summarised and confirmed the areas of work that the external auditors had looked at and their fees for this work. The Committee noted the reduction in fees from £18,106 in 2011/12 to £14,686 in 2012/13.

Resolved to note the External Auditors Certification of grants and returns 2012/13 from the Council's external auditor KPMG.

74/14 Internal Audit Plan 2014-2015

The Head of Audit Services outlined the Internal Audit Annual Plan 2014/2015 which demonstrated how the authority would fulfil its statutory requirement to 'maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with proper internal audit practices.'

The Head of Audit Services outlined the issues affecting the Audit Team including workload pressures originating from time being sold to other Local Authorities, ongoing absence of the Audit Manager and resources taken in various investigations.

Resolved to note the Internal Audit Annual Plan 2014/2015.

75/14 Committee Work Programme 2014-2015

The Committee considered its Work Programme for the forthcoming 2014-2015 Municipal year.

Resolved to note the Committee Work Programme 2014-2015 subject to the inclusion that:

1. The Head of Corporate Governance attend the next Audit Committee on 26 June 2014 to outline the steps taken to mitigate the risks associated with information governance.
2. The Assistant Chief Executive, Lee O'Neil to attend the next Audit Committee on 26 June 2014 to outline the steps taken to improve performance management arrangements.
3. The Risk and Resilience Manager, Nick Moon to attend the Audit Committee to be held on 18 September 2014 to answer queries relating to Emergency Planning.