

Minutes

Audit Committee

Venue:	Committee Room
Date:	16 April 2014
Present:	Councillor C Pearson (Chair), Councillor J Cattanach and Councillor Mrs M McCartney
Apologies for Absence:	Councillor Mrs C Mackman (Vice Chair) and Councillor M Dyson
Officers Present:	Roman Pronyszyn and John Barnett, Veritau; Cameron Waddell and Allison Kent, Mazars, Mary Weastell, Chief Executive; Karen Iveson, Executive Director (S151) and Richard Besley, Democratic Services

38. DECLARATIONS OF INTEREST

There were no declarations of interest.

39. MINUTES

RESOLVED:

To receive and approve the minutes of the Audit Committee held on 15 January 2014 and they are signed by the Chair.

40. CHAIR'S ADDRESS

The Chair confirmed that Gavin Barker of Mazars was not able to attend but introduced Mazars colleagues Cameron Waddell and Allison Kent.

The Chair noted the low attendance and asked Committee members to make every effort to attend meetings and training events.

With regard to the Work Programme, the Chair confirmed that the Committee would need to schedule an additional meeting in May to

consider aspects of the Constitutional changes required ahead of the reduced Council size and Executive arrangements before submission to full Council

The Chair welcomed Mary Weastell, Chief Executive who was attending her first Audit Committee meeting.

41. A/13/23 – Mazars Audit Strategy Memorandum 2013/14 and Audit Progress Report April 2014

On behalf of Mazars, Cameron Waddell presented the Strategy Memorandum and outlined how they conduct External Audits for the Audit Commission. Mr Waddell referred to the timetable for submission of Local Authority accounts and their auditing and confirmed everything was on track for the receipt of the Council's Statement of Accounts in June.

The paper outlined the scope of the audit, their approach and timeline. It identified what significant risks were involved and key judgment areas. Mazars would be required to reach a conclusion on arrangements to secure economy, efficiency and effectiveness on the use of our resources.

Mr Waddell was pleased to report that audit fees were stable and with a drop in certification work offer a reduction on previous years.

Also for Mazars, Allison Kent, presented their progress report that updates the Committee on what Mazars are doing to meet their responsibilities as our External Auditor. The report also draws attention to key emerging issues and developments that may interest the Committee and drew attention to:

- Financial Statements (Good Practice Guide for LAs)
- Protecting the Public Purse 2013
- Future of Local Audit
- The Local Audit and Accountability Act 2014

RESOLVED:

To receive and note the Strategy Memorandum and Progress Report

42. A/13/24 – Certification of Grants and Returns Work Plan 2013/14

Presented by Ms Kent for Mazars the report states how various grant paying bodies require external certification of claims for grant or subsidy and returns of financial information and what plans Mazars had in place for undertaking this work this year.

RESOLVED:

To note the report

43 A/13/25 – Annual Governance Statement – Action Plan Review

The report was presented by the Executive Director (s151). Now a feature of the Audit Committee Agenda this was the second review of the Action Plan and updates the Committee on the two issues reported.

ICT – Significant progress has been made, due to joint work with Craven Council. A Disaster recovery plan has been formulated and tested.

Council Tax billing – improved control procedures had been implemented and the billing process had been completed successfully.

RESOLVED:

To note the report

44. A/13/26 – Internal Audit Progress Report 2013/14

John Barnett for Veritau presented the report. It confirmed that 75% of Audits had been completed in the year up to March, however since the report was written the outstanding audits were now at draft report stage and would complete a by year end.

Only one audit, Information Governance, offered Limited Assurance. Members were assured that remedial action is in place and they would have opportunity to discuss in detail later in private session.

RESOLVED:

The report was approved

45. A/13/27 – Internal Audit Charter

Presented by John Barnett the Charter outlines how Internal Audits are conducted and replace the old Terms of Reference.

RESOLVED:

The report was approved

46. A/13/28 – Internal Audit Plan 2014/15

Presented by John Barnett the Plan sets out Veritau's work programme on internal audit, counter fraud and risk management for 2014/15.

The Plan was structured into 4 sections:

- Corporate Risk register
- Fundamental/material Systems
- Regularity Audits
- Technical/Projects

The Executive Director (s151) highlighted that whilst the audit plan can not cover every part of the Council's business, it is based on an assessment of the risks associated with the Council's control framework and provides sufficient coverage with some level of contingency for unforeseen matters.

RESOLVED:

The internal audit plan was approved

47. A/13/29 – Audit Committee Annual Report 2013/14

The Chair presented the Committee's Annual Report for 2013/14.

It was noted that, as well as the two training events prior to the September and January meetings, mentioned within the report a further training event on Fraud was held prior to the June meeting. The Annual Report would be amended to correct that omission.

RESOLVED:

The Annual Report was noted

48. Audit Committee Work Programme 2013/14

The Work Programme for 2014/15 was presented to the Committee.

The Executive Director (s151) wished to continue Committee member development and would work with Veritau to hold a further training session before the June meeting. The Director would also liaise with Allison Kent, Mazars, to hold a session on 'Protecting the Public Purse' before the September meeting.

The Executive Director (s151) and the Solicitor to the Council also raised the matter mentioned by the Chair in his address, that the Committee would need to meet in May (possibly twice) to consider the proposed Constitutional changes on behalf of full Council.

A progress reports on Information Governance would also need to be added the Work Programme.

RESOLVED:

The Work Programme (as amended) was approved

49. Private Session

In accordance with Section 100(A)(4) of the Local Government Act 1972 and in view of the nature of the business to be transacted, to exclude the press and public from the meeting during discussion of the following item as there is likely to be disclosure of exempt information.

It was agreed to move to private session.

50. A/13/30 – Information Governance & Data Protection 2013/14

The report was presented by the Solicitor to the Council who informed the committee of the importance of Information Governance and the outcomes of breach of data loss and data transference.

The Solicitor confirmed that a high level of commitment must be shown by the Council and that plans were in place to:

- Assign clear roles and responsibilities;
- Approve and implement the necessary policies and procedures;
- Deliver a targeted training programme;
- Ensure adequate reporting arrangements; and
- Consider appropriate disciplinary procedures for data breaches.

The Executive Director (s151), as designated Senior Information Risk Owner (SIRO), would sponsor the work and the Solicitor to the Council would manage the detailed project. The Solicitor confirmed that a report asking for formal designation of the SIRO and Information Asset Owners would go to the Executive in June.

Information Governance would be added to the Corporate Risk Register and progress would be reported in the autumn and at the end of the municipal year.

The meeting closed at 6:08pm