

AUDIT SUB-COMMITTEE

18th June 2014

PRESENT:-

Conservative Group

Councillor Harrison (Chairman) and Councillor Ford (Vice Chairman)

Labour Group

Councillor Dunn and Councillor Shepherd

AS/01. **MINUTES**

The Open Minutes of the Meeting held on 2nd April 2014 were approved as a true record.

AS/02. **INTERNAL AUDIT QUARTERLY PROGRESS REPORT**

The Sub-Committee considered the Internal Audit Quarterly Progress Report, prepared by the Audit Manager. This summarised the various reviews that had taken place. None of these, he explained, had received less than a 'reasonable' ranking in terms of their assurance rating. He also made it clear that the service was on track to deliver the further review work that had been identified. In addition, the Sub-Committee was informed that the report included no new 'significant additional risks' that would have to be addressed.

Members welcomed the report. During the subsequent discussion, a number of points were raised. These included the danger of data loss and the need to do more to back-up the information held on computer servers. The Director of Finance & Corporate Services made it clear that this issue was being addressed, with progress monitored as part of the Council's contractual arrangements with Northgate.

The Sub-Committee also discussed the Governance Review. It was explained that this review was likely to be carried out during the summer as part of a wider review of the constitution.

RESOLVED:-

That the report be accepted. No specific issues be reported back to the Finance & Management Committee arising from it.

AS/03. **EFFECTIVENESS OF INTERNAL AUDIT**

The Sub-Committee considered a report from the Director of Finance & Corporate Services on the effectiveness of the internal audit function. He made it clear that his assessment was based on the framework guidance developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) 'Better Governance Forum'. This had identified the key features for successful internal audit. Using this framework, he had reached the conclusion that the function was continuing to operate well and remains fit for purpose.

Members welcomed the report and the conclusion that the internal audit function continues to operate well.

RESOLVED:-

To note the findings and conclusions that the internal audit function is considered fit for purpose.

AS/04. **HEAD OF INTERNAL AUDIT'S ANNUAL AUDIT OPINION 2013/14**

The Sub-Committee was asked to note the annual audit opinion and annual internal audit report of the Head of Internal Audit for 2013/14. His key conclusion was that there is an acceptable level of internal control within the Council's systems and procedures. He also made it clear that no critical or significant risk recommendations were made within any of the audit reports issued during the year.

RESOLVED:-

To note the annual audit opinion for 2013/14

To note the annual internal audit report for 2013/14

AS/05. **LOCAL CODE OF CORPORATE GOVERNANCE**

The Sub-Committee considered a report by the Legal & Democratic Services Manager, giving her annual assessment of the Council's Local Code of Corporate Governance. This made it clear that the Council continues to operate effective governance arrangements. Members were also informed that the 'work plan' of actions, to address any issues where further improvements were needed, had been largely implemented, but that some tasks had been

carried forward into the 2014/15 local government year. These related to induction training for members and the development of neighbourhood plans for parish councils.

In terms of Member Development, it was confirmed that a new induction process would be formulated ahead of next year's local elections.

The Sub-Committee discussed briefly the need for defined member and officer roles and the arrangements for member training. In this context it was confirmed that refresher training on the audit function would be arranged for Sub Committee members.

RESOLVED:-

To approve the annual assessment of the Council's Local Code of Corporate Governance for 2013/14

To approve the progress on the work plan for 2013/14

AS/06. **ANNUAL GOVERNANCE STATEMENT 2013/14**

The Sub-Committee was asked to consider the proposed Annual Governance Statement (AGS) for 2013/14. The AGS, it was explained, was a statutory requirement, intended to record and publish the Council's governance arrangements. It had been produced in line with the guidance issued by CIPFA. A work plan had been produced for the coming year, to address some of the areas for development that had been identified. In this context, work would take place to expand 'Open Data' (or the information which the Government requires local councils to place on their websites) and to implement the data management policy. The aim of this policy was to ensure that data handled by the Council is kept securely and, when required, destroyed appropriately.

Members discussed the proposed Annual Governance Statement and especially the requirements of 'Open Data'. The point was made that as the Council does not earn income from car parking this fact should be made clear on our web site. Subject to this, members agreed to support the proposed statement.

The Sub-Committee queried whether the details of the Members Allowance payments for 2012/13 had been published in the press. This was confirmed. Members were also informed that the details of the allowance payments for the year to 31st March 2014 would be published shortly.

RESOLVED:-

To recommend to Finance & Management Committee the Annual Governance Statement (AGS) for the year ended 31st March 2014 and its publication within the Statement of Accounts for 2013/14.

To authorise the Leader of the Council and Chief Executive Officer to sign the Annual Governance Statement.

J. HARRISON

CHAIRMAN

The Meeting terminated at 4.45 p.m.