

MEETING	AUDIT & GOVERNANCE COMMITTEE
DATE	17 APRIL 2013
PRESENT	COUNCILLORS CUNNINGHAM-CROSS (CHAIR), BARNES, BROOKS (VICE-CHAIR), BURTON, CUTHBERTSON, STEWARD AND WATSON
IN ATTENDANCE	COUNCILLOR CRISP

61. DECLARATIONS OF INTEREST

Members were asked to declare any personal interests not included on the Register of Interests, any prejudicial interests or any disclosable pecuniary interests which they may have in respect of business on the agenda. None were declared.

62. MINUTES

RESOLVED: That the minutes of the meeting of 19 March 2013 be approved and signed by the Chair as a correct record.

63. PUBLIC PARTICIPATION

It was reported that there was one registration to speak under the Council's Public Participation Scheme. Ms Swinburn spoke on general issues within the Committee's remit. Referring to comments that she had made at the previous meeting regarding democratic governance, she stated that she had understood that this issue would be considered as part of the review of the Audit and Governance Committee's terms of reference. She was therefore disappointed that this item had been deferred to the next meeting. Ms Swinburn stated that it was very important that there was an opportunity to discuss democratic procedures in the city.

The Chair explained that the Committee would also have the opportunity to review these issues when it considered the Annual Governance Statement.

64. AUDIT AND GOVERNANCE COMMITTEE FORWARD PLAN

Consideration was given to a paper which presented the future plan of reports expected to be presented to the Committee during the forthcoming year to February 2014.

Members were asked to identify any further items they wished to add to the Forward Plan.

Members sought an update on the situation in respect of the appointment of Independent Members. They were informed that an advertisement had been drafted and would be placed on the Council's website. The closing date for applications was 24 May 2013. The selection process would then be carried out with the intention that the Selection Panel's recommendations would be considered by the Committee at their meeting on 27 June 2013.

RESOLVED: That the Committee's Forward Plan for the period up to February 2014 be approved.

REASON: To ensure that the Committee receives regular reports in accordance with the functions of an effective audit committee and can seek assurances on any aspect of the Council's internal control environment.

65. INTERNAL AUDIT, COUNTER FRAUD AND INFORMATION GOVERNANCE PLAN 2013/14

Members considered a report that sought their approval for the planned programme of audit, counter fraud and information governance work to be undertaken in 2013/14. Officers drew their attention to the report annex which set out the proposed schedule of work.

Members, referring to the fact that total planned days would be 102 less than 2012/13, sought clarification as to where this would have greatest impact. Officers explained that the plan was based on risk assessment and that some areas of less risk had now not been included in the plan. Nevertheless they were satisfied that there was an adequate level of assurance. Members' attention was also drawn to the controls that were in place in addition to the checks that were carried out by Veritau.

At the request of Members, officers gave details of the costings involved.

RESOLVED: That the 2013/14 internal audit, counter fraud and information governance plan be approved.

REASON: In accordance with the Committee's responsibility for overseeing the work of internal audit.

66. AUDIT, COUNTER FRAUD AND INFORMATION GOVERNANCE MONITORING REPORT

Members considered a report that provided an update on progress made in delivering the internal audit work plan for 2012/13 and on current counter fraud and information governance activity.

Referring to the reference in the report that a request from a service manager had triggered a review of procedures, Members queried how officers determined whether such a request was an appropriate use of time. Officers explained the discussions that took place surrounding such requests, including judgements as to the urgency of the situation and whether investigation was an appropriate use of resources.

RESOLVED: That the progress made in delivering the 2012/13 internal audit work programme, and current counter fraud and information governance activity be noted.

REASON: To enable Members to consider the implications of audit and fraud findings.

67. INTERNAL AUDIT FOLLOW UP REPORT

Members considered the regular six monthly report that set out progress made by Council departments in implementing actions agreed as part of internal audit work.

Members sought clarification as to why actions that had been identified as requiring immediate action were sometimes not completed within the implementation date. Officers explained that it was a management responsibility to assess the risks

involved in not completing the required action by the implementation date. Officers gave further information about the situation in respect of the monitoring of direct payments and stated that an update would be provided at the meeting in July.

It was noted that, in general, good progress had been made by Council departments to rectify weaknesses in control identified through internal audit work.

RESOLVED: That the progress made in implementing internal audit agreed actions, as detailed in paragraphs 5-11 of the report, be noted.

REASON: To enable Members to fulfil their role in providing independent assurance on the Council's control environment.

68. INFORMATION GOVERNANCE STRATEGY

Members considered a report that informed them of the Information Governance Strategy developed by the Council's Corporate Information Governance Group (CIGG) and progress in implementing the strategy discussed by the Committee on 13 February 2012.

Officers were asked about the arrangements that were in place in respect of retention policies and record management. They noted that, in preparation for the move to West Offices, a considerable amount of work had been carried out to ensure that sensitive documentation that was being retained was not being kept for longer than legal requirements. A policy on document retention was in place but may need to be reviewed and updated. Officers gave definitions of the type of data that was deemed to be confidential.

RESOLVED: That the Information Governance Strategy that had been adopted to improve governance arrangements within the Council, and the action being taken to achieve level 1 of the Information Assurance Model be noted.

REASON: As part of the Committee's responsibility to consider reports dealing with governance matters.

69. MAZARS DRAFT AUDIT STRATEGY MEMORANDUM

Members considered a report that presented the Mazars' Draft Audit Strategy for the year ended 31 March 2013 which was attached as an annex to the report.

Members' attention was drawn to section 11 of the strategy which detailed the significant risks and key judgement areas.

Members also noted the fees for the work and the timing of key phases in the audit work.

RESOLVED: (i) That the matters set out in the Audit Strategy Memorandum presented by the District Auditor be noted.

(ii) That the Plan be approved.

REASONS: (i) To ensure the effective deployment of scarce external audit resources to best effect.

(ii) To ensure that the external audit and inspection process contributes effectively to the Council's system of internal control. The Committee was satisfied that the Plan sufficiently reflected the audit needs and interests of the Council.

Councillor Cunningham-Cross, Chair
[The meeting started at 5.40 pm and finished at 6.40 pm].