

Time Commenced: 6.00pm  
Time Finished: 9.00pm

**AUDIT AND ACCOUNTS COMMITTEE**  
**29 September 2015**

**Present:** Councillor Hezelgrave (Chair)  
Councillors Grimadell, Harwood, Martin, Nawaz and Turner

In attendance

Phil Jones, Tony Parks and Matthew Berrisford – Grant Thornton

Helen Henshaw – Ernst Young

Janie Berry – Monitoring Officer

Richard Boneham – Head of Governance and Assurance

Martyn Marples – Director of Finance

Mark Nash – Group Accountant – Corporate

Gemma Hadfield – Principal Accountant - Corporate

Linda Spiby – Acting Head of Procurement

Zoe Bird – Interim Payroll Manager

Andy Butler – HR Operation Team Leader

**17/15      Apologies for Absence**

There were no apologies for absence.

**18/15      Late Items**

There were no late items.

The Chair reported that Martyn Marples had been formally appointed as S 151 Officer. The Chair also reminded Members of the Committee that the February 2016 meeting of the Committee had been rescheduled to 27 January 2016.

**19/15      Declarations of Interest**

There were no declarations of Interest.

**20/15      Minutes**

The minutes of the meeting held on 8 July 2015 were agreed as a correct record and signed by the Chair.

**21/15      Reporting on Waivers**

The Committee considered a report which set out details of 5 waivers during the period 17 June and 4 September 2015.

Broken down by directorate we had

Directorate	Number of Waivers	Classification	
		Unavoidable	Avoidable
Neighbourhoods	3	1	2
AHH	2		2
<b>Total Number of Waivers</b>	<b>5</b>	<b>1</b>	<b>4</b>

Of these waivers:

1 was unavoidable

2 were avoidable but there were considered reasons for the Waiver

2 were avoidable if measures such as better planning had taken place.

**Resolved to note the report.**

## 22/15      Annual Report 2014/15

The Committee considered a report which stated that the Council produces an Annual Report each year to publicise its achievements and progress made in delivering its Council Plan priorities.

The Annual Report had been produced in two parts. Firstly, a summary document which contained highlights and case studies for priorities contained in the Council Plan 2014/15 as shown in Appendix 2 to the report. This year the Annual Report included examples of feedback from service users in Adults and Children's services, demonstrating how the Council had made changes to service delivery to respond to those needs.

Secondly, a consolidated version of the Annual Report which included the Statement of Accounts, Annual Governance Statement and Annual Performance Results would be published together online.

Subject to approval from Audit and Accounts Committee and Council Cabinet, the Annual Report would be published on the Council's website in October 2015

**Resolved to approve the Annual Report 2014/15.**

## 23/15      Statement of Accounts 2014/15 Post Audit Approval

The Committee considered the final Statement of Accounts for 2014/15.

## **Resolved**

- 1. To approve the final set of accounts for the 2014/15 financial year set out at Appendix 2 of the report, which included the final adjustments made following the audit as explained in Appendix 3 of the report.**
- 2. To note that a number of issues were identified by the external auditors and had led to a number of audit adjustments being made to the accounts presented to this Committee in July 2015.**
- 3. To note that the auditors currently anticipated issuing an unqualified audit opinion, subject to the completion of any outstanding audit testing, this committee's approval of the accounts and outstanding work on the Council's governance arrangements. This would prevent the 2014/15 accounts from being formally closed.**
- 4. To approve the proposed management letter of representation in relation to the 2014/15 Statement of Accounts to be signed by the Director of Finance at Appendix 4 of the report and confirm, to the best of the Committee's knowledge, it is satisfied that the letter may be signed in good faith.**
- 5. To approve the capital determination be set out in Appendix 5 of the report.**

## **24/15 External Audit Annual Report to Those Charged With Governance (ISA 260)**

The Committee considered a report which stated that as part of the International Standard of Auditing 260 (ISA 260) the Council's external auditors, Grant Thornton were required to report the outcome of the Audit of Accounts 2014/15 to the Audit and Accounts Committee, this was set out in Appendix 2 of the report.

## **Resolved**

- 1. To note the annual report from Grant Thornton and their findings and recommendations and request updates on the Action Plan contained within the report.**
- 2. To use the findings and recommendations arising from the Grant Thornton report to inform its opinion on the overall effectiveness of the Council's financial reporting arrangements and confirm that there were no specific matters that prevented the formal adoption of the financial statements.**

## **25/15 Annual Governance Statement 2014/15**

The Committee considered a report which stated that the production and publication of

an Annual Governance Statement was a statutory requirement. The 2014/15 Statement reflected the on-going work within the Council to improve its governance framework.

**Resolved**

- 1. To approve the Annual Governance Statement 2014/15 set out in Appendix 2 of the report.**
- 2. To request that the Leader of the Council and the Chief Executive sign the Certification (Section 6) in the Annual Governance Statement 2014/15.**

**26/15      Annual Governance Report Prepared by the Monitoring Officer**

The Committee considered a report which stated that Section 5 of the Local Government and Housing Act 1989 required the Council to appoint a Monitoring Officer. Derby City Council had appointed Janie Berry, Director of Governance (formerly Director of Legal & Democratic Services) as Monitoring Officer. She was a practicing solicitor and Chief Legal Officer for the City

The Monitoring Officer's Annual Governance Report supported the Council's Annual Governance Statement and provided a review of my work as part of the Council's governance arrangements.

**Resolved**

- 1. To note the report.**
- 2. To request the Monitoring Officer to circulate the draft revised Constitution to Members of the Committee for comment, prior to it being considered by Council at its meeting in November 2015.**

**27/15      Protecting the English Public Purse**

The Committee considered a report which provided members with a synopsis of The European Institute for Combatting Corruption and Fraud's (TEICCAF) latest national report on fraud in local government and the updated checklist for those responsible for governance, to reflect the results of its annual fraud survey.

**Resolved**

- 1. To note the TEICCAF report.**
- 2. To monitor progress against the checklist set out in Appendix 3 of the report.**

## 28/15 Governance Update

The Committee considered a report which provided an update on the developments being made within the Council's governance framework.

**Resolved to note the actions and the progress being made to enhance the governance framework.**

## 29/15 CIPFA / SOLACE Governance Framework - Consultation

The Committee considered a report which stated that the CIPFA / SOLACE framework and guidance documentation on Good Governance in Local Government was currently being revised to make sure that local authority governance arrangements met the needs of a changing environment. The revised framework was based on an international framework for good governance in the public sector that was published in conjunction with CIPFA in 2014.

**Resolved to note the report.**

## 30/15 Internal Audit Progress Report

The Committee considered the Internal Audit progress report covering the period 1 June to 31 August 2015.

**Resolved**

- 1. To note the report.**
- 2. To request a description of the risk levels relating to Internal Audit progress report for the next meeting.**

Minutes End