

Time Commenced: 10.00am
Time Finished: 12.21pm

AUDIT AND ACCOUNTS COMMITTEE

18 July 2017

Present: Councillor Hezelgrave (Chair)
Councillors Ashburner, Care, Eldret, Jackson, Roulstone, Turner and Willoughby

In attendance
Helen Henshaw and Steve Clark – Ernst Young
Paul Robinson – Chief Executive
Christine Durrant – Strategic Director Communities and Place
Janie Berry – Director of Governance and Monitoring Officer
Adrian Manifold – Audit Manager
Andrew Shooter – Trainee IT Auditor
Mandy Marples – Assistant Audit Manager
Mark Taylor – Interim Director of Finance
Mark Walker – Head of Client Services
Rob Milford – Consultant
James Pratt – Trainee IT Auditor
Linda Spiby – Acting Head of Procurement

01/17 Apologies for Absence

Apologies for absence were received from Councillors Grimadell and Winter.

02/17 Late Items

There were no late items received..

03/17 Declarations of Interest

There were no declarations of interest.

04/17 Minutes of the Meetings held on 22 March and 29 March 2017

The minutes of the meetings were agreed as a correct record.

Minute no 53/16 – The Chair informed the Committee that the email regarding Member FOI requests was yet to be sent, but he would request that this matter be addressed by Democratic Services.

Minute no 55/16 – The Director of Governance reported that the self assessment was

yet to be completed. It was noted that this was partly due to the requirement of Members receiving training as part of the self assessment, this was planned for 10 August 2017 at 2pm. Members were asked should they be unable to attend, please could the relevant officers be made aware.

Minute no 64/16 – The Director of Governance informed the Committee that following the refreshed Membership of the Independent Remuneration Panel, previous Members had been thanked for their work and the refreshed Panel would meet in the next couple of weeks. The Head of Democracy would ensure that Committee Members were kept up to date of progress made by the Panel.

05/17 Update on the Central Midlands Audit Partnership

The Director of Governance provided an update to the Committee on the Central Midlands Audit Partnership. It was reported that there was currently a comprehensive review of the partnership being undertaken with a greater focus on audit opinions. It was noted that once this was complete a further update would be provided to the Committee.

Resolved to note the update.

06/17 Internal Audit Update

The Committee received an update on the Internal Audit Progress Report. It was noted that the report style had been amended; this now aimed to focus Members attention to issues where the Committee could provide the greatest effect.

The officer reported that there were three completed audit assignments within the report that he wished to bring to the attention of Members. Following the publication of the report there were updates which were made verbally to the Committee.

Members of the Committee particularly considered the audits where there was a limited overall control assurance rating. The following comments were made on the ICT Asset Management audit:

The Committee commented on the issue of broken links on the Councils web pages, Members questioned as to whether there was software available which would help identify this. The Head of Client Services would investigate the availability of any software.

It was noted by Members at the lack of a succession policy in place for business critical posts. This was to be raised with the relevant department by the Director of Governance.

The Committee expressed concern of the significant risk regarding the network access management control issue, and the assurances Members felt were required for the

Children and Young People Scrutiny Review Board and the Corporate Parenting Committee. The Director of Governance to arrange for a briefing outside of the Audit and Accounts Committee for those Members.

It was noted that many of the original action dates were not met and the revised action date was a future date, sometimes years on, which prolonged the control issues. The Director of Governance suggested a report be provided at a future meeting on control issues over 12 months old for the Committee to digest.

Resolved:

- 1. To note the report;**
- 2. That the Head of Client Services investigate the availability of any software to deal with the broken links issue;**
- 3. That the Director of Governance investigate the possibility of a succession policy;**
- 4. That the Director of Governance arrange a briefing for Members on the risk regarding the network access management control issues;**
- 5. That the Director of Governance provide a report on control issues over 12 months old.**

07/17 Recommendations Made Under S24 Local Audit and Accountability Act 2014 by Ernst and Young

The Committee received a report from the Director of Governance on the Recommendations pursuant to s24 Local Audit and Accountability Act 2014. It was noted that this report would be presented to full Council on 19 July 2017.

Members noted that further discussion would follow at a future meeting of the Committee to enable an action plan response to be produced.

The Chair requested that a thank you on behalf of the Members of the Committee be formally recorded on record to Ernst and Young for their due diligence in providing an invaluable service to the Committee.

Resolved:

- 1. That an additional meeting of the Audit and Accounts Committee be scheduled following the meeting of full Council on 19 July;**
- 2. To note the receipt of the Recommendations made under s24 Local Audit and Accountability Act 2014;**
- 3. To note that the said Statutory Recommendation was to be presented to a meeting of full Council on 19 July 2017.**

08/17 Update on the Statement of Accounts for 2015/16 and 2016/17

The Committee received a report from the Interim Director of Finance on the Update on the Statement of Accounts for 2015/2016 and 2016/17. Details were provided on the progress to date, and it was reported that the final 2015/16 and draft 2016/17 accounts would be available to Members at the September Committee meeting.

The Chair reported that he would be holding regular meetings with the Interim Director Finance and the Vice Chair, Councillor Roulstone and that should any other Member wish to attend they would be welcome. These dates would be circulated to the Committee in due course.

Resolved:

- 1. To note the invitation from the Chair to attend the briefings with the Interim Director of Finance;**
- 2. To receive the update on the audit of the Statement of Accounts for 2015/16;**
- 3. To audit the Statement of Accounts for 2016/2017**

**09/17 Annual Governance Statement to accompany the
Statement of Accounts 2015/2016**

The Committee received a report from the Director of Governance on the Update on the Statement of Accounts for 2015/2016 and 2016/17. Details were provided on the progress of the audit of the 2015/16 Statement of Accounts.

Members noted that given the passage of time and the refreshed Committee Members, many of which were not party to the presentation received at the last meeting of the Committee it would be difficult to accept the Interim Governance Statement. It was report by the Interim Director of Finance that that statement was aiming to provide assurance to the Committee that the accounts were of a good quality, but that the background papers could be circulated to Members if they wished.

Resolved

- 1. To note the Interim Annual Governance Statement presented to the Audit and Accounts Committee on 29 March 2017, as the Annual Governance Statement for the year 2015/16 subject to Members of the Committee receiving the said background papers;**
- 2. To note that the said Annual Governance Statement also addresses a number of issues which have arisen during the 2016/17 period given the passage of time and delays in presenting the 2015/2016 Statement of Accounts.**

10/17 Reporting of Waivers

The Committee received a report from the Chief Executive which detailed the 13 waivers received during the period of 6 March to 30 June 2017.

Members noted that further detail would be useful when considering these reports. It was reported by the officer that the full waiver form could be made available as a background paper online to the Committee.

Resolved

- 1. To note the report;**
- 2. To receive the full waiver form as a background paper in future reports.**

Minutes End