

## AUDIT AND GOVERNANCE COMMITTEE

**Thursday 29 November 2012**

**COUNCILLORS PRESENT:** Councillors Rowley (Chair), Simmons (Vice-Chair), Brett, Clarkson, Darke and Fooks.

**OFFICERS PRESENT:** Mathew Metcalfe (Democratic and Electoral Services), Jeremy Thomas (Head of Law and Governance), Nigel Kennedy (Head of Finance), Maria Grindley (Ernst & Young) and Christopher Dickens (Pricewaterhousecoopers (PWC))

### **30. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor David Rundle (Councillor Jean Fooks attended as his substitute)

Apologies were also received from Jacqueline Yates, Executive Director Organisational Development and Corporate Services.

### **31. DECLARATIONS OF INTEREST**

None declared.

### **32. ERNST AND YOUNG EXTERNAL AUDITORS - UPDATE**

Maria Grindley and Susan Whipp from the Council's new external auditors, Ernst and Young attended the meeting.

Maria Grindley informed the Committee that the Audit Teams had now transferred to Ernst and Young and that this transition had gone smoothly. An Audit Plan would be presented to the next meeting of the Audit and Governance Committee on 28<sup>th</sup> February 2013.

The Committee agreed to note the position.

### **33. INTERNAL AUDIT SUMMARY REPORT - 2012/13 PLAN - PRICEWATERHOUSECOOPERS (PWC)**

The Head of Finance submitted a report (previously circulated, now appended) on behalf of the Council's Internal Auditors, Pricewaterhousecoopers (PWC), which provided an update of the work undertaken as part of the 2012/13 Internal Audit Plan.

Christopher Dickens from Pricewaterhousecoopers (PWC) introduced the report and highlighted that a new review on the Barton Development would be presented to the next meeting of the Audit and Governance Committee. This was due to there being time available in the Audit programme.

In response to comments from the Committee on the three low risk reports, Nigel Kennedy, Head of Finance said with regard to the Garden Waste Scheme, that work was being undertaken to allow payments to be made via direct debit. Regarding Insurance he confirmed that all of the recommendations from the Audit had been resolved prior to the insurance tendering process commenced.

The Committee agreed to note the report.

#### **34. PROGRESS ON THE IMPLEMENTATION OF AUDIT RECOMMENDATIONS**

The Head of Finance submitted a report (previously circulated, now appended) which updated the Committee on the progress made on the implementation of recommendations following audits.

Nigel Kennedy, Head of Finance introduced the report. He informed the Committee that there were no external or internal audit high risk recommendations still outstanding. However there were 10 internal audit recommendations that had not reached 100%, but these had not yet overrun their implementation target date.

In response to questions concerning the 10 recommendations not at 100%, Nigel Kennedy said that some of these were part of the accounts close down process and so would be dealt with as part of that and others were currently being addressed by the undertaking of additional training with Finance staff involved in closedown on new aspects of the International Financial Reporting Standards.

Nigel Kennedy also made reference to the direction of travel of internal audit reports which had over the last few years showed a reduced risk rating overall.

The Committee agreed to note the report.

#### **35. RISK MANAGEMENT QUARTERLY REPORTING: QUARTER 2 - 2012/2013**

The Head of Finance submitted a report (previously circulated, now appended) which updated Members on both corporate and service risks as at the end of quarter 2 on 30<sup>th</sup> September 2012.

Nigel Kennedy, Head of Finance, introduced the report.

In response to question concerning the doubling of some Service Area Risks, Nigel Kennedy said that risks were reviewed by Service Heads who decided the risks in their areas. He further added that the increase in the Direct Services risks was more a comment that a risk as it related to the service from the Contact Centre, which handled the calls for Direct Services.

The Committee agreed to note the report.

#### **36. MINUTES**

The Committee agreed to approve the minutes (previously circulated) of its meeting held on 27<sup>th</sup> September 2012.

### **37. DATES OF FUTURE MEETINGS**

The Committee noted that its next meeting would be on Thursday 28<sup>th</sup> February 2013 at 6.00pm in the Town Hall.

### **38. MATTERS EXEMPT FROM PUBLICATION**

The Committee noted that no matters exempt from publication had been submitted for consideration.

**The meeting started at 6.00 pm and ended at 6.40 pm**

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