

## AUDIT AND GOVERNANCE COMMITTEE

**Monday 28 November 2011**

**COUNCILLORS PRESENT:** Councillors Hazell (Chair), Darke, Mills and Van Nooijen.

**OFFICERS PRESENT:** Mathew Metcalfe (Democratic and Electoral Services), Jeremy Thomas (Democratic Services), Nigel Kennedy and Anna Winship (Finance), Maria Grindley and Alan Witty (Audit Commission), and Christopher Dickens (Pricewaterhousecoopers).

### **34. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS**

Apologies were received from Councillor Clark Brundin (Councillor David Rundle was to attend as substitute, but also submitted his apologies) and Jackie Yates (Director, Finance and Efficiency).

### **35. DECLARATIONS OF INTEREST**

None declared.

### **36. AUDIT COMMISSION OPINION MEMO**

The Head of Finance submitted a report (previously circulated, now appended) on behalf of the Audit Commission which detailed the Audit Commission's Opinion Memo.

Alan Witty from the Audit Commission introduced the report and highlighted paragraph 8 of the main conclusions, where Officers from the Audit Commission had met with Council Officers and discussed further improvements for next year.

The Committee agreed to note the report and to thank Officers for their work to continually improve the audit process.

### **37. ANNUAL AUDIT LETTER - AUDIT COMMISSION**

The Head of Finance submitted a report (previously circulated, now appended) on behalf of the Audit Commission which provided a summary of the findings from the 2010/11 audit.

Maria Grindley from the Audit Commission introduced the report. She drew the Committees attention to the current and future challenges detailed in the report and to the additional fee of £23k for the additional audit work. She added that although there had been an additional fee, the overall fee paid was lower than the previous year.

Councillor Hazell said that she had raised the issue of the additional fee with Officers, and that there should be no additional fees next year. Nigel Kennedy

added that with the on going improvements and with the IFRS now introduced, he anticipated no additional fees would be paid.

Jeremy Thomas informed the Committee that as part of the governance arrangements this report would also be submitted to the Standards Committee for information.

The Committee agreed to note the report.

### **38. AUDIT COMMISSION PROGRESS REPORT**

The Head of Finance submitted a report (previously circulated, now appended) on behalf of the Audit Commission which detailed the progress made in delivering the work set out in the 2010/11 audit plan.

Alan Witty from the Audit Commission introduced the report and said that all of the audits had been delivered. He added with regard to Grant Claims for 2010/11 that all of the claims had been certified apart from the Housing and Council Tax Benefits claim which would be signed off on 29<sup>th</sup> November 2011 which was ahead of the 30<sup>th</sup> November 2011 deadline.

He further added that there would be some minor qualifications on the Housing and Council Tax Benefits claim, and he would be bringing to the next Audit and Governance Committee some recommendations, but emphasized that there were no significant errors.

Councillor Van Nooijen said that it was an extraordinary achievement that the Housing and Council Tax Benefit claim and the Housing Subsidy claim had been completed ahead of schedule, once you take into account the organisational changes that have taken place during the year.

The Committee agreed to note the report.

### **39. INTERNAL AUDIT SUMMARY REPORT - 2011/12 PLAN - PRICEWATERHOUSECOOPERS (PWC)**

The Head of Finance and has 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 2011/12 Audit Plan.

Christopher Dickens from Pricewaterhousecoopers (PWC) introduced the report and said that he expected to complete all of the audits in the plan for the year.

The Committee agreed:

- (a) To note the report;
- (b) That in future, audits with a rating of a "low risk" would not be submitted to the Committee, but that all audits with a rating of "medium or high risk" would be submitted to the Committee unless the Chair agreed otherwise;

- (c) To request that Pricewaterhousecoopers (PWC) provide with their reports, performance information concerning the issuing of recommendations and the time taken for a response form the Council to be received by them.

#### **40. AUDIT RECOMMENDATIONS - IMPLEMENTATION UPDATE**

The Head of Finance has submitted a report (previously circulated, now appended) which detailed the progress on the implementation of internal and external audit recommendations.

Anna Winship introduced the report and took Members through the contents.

The Committee agreed:

- (a) To note the report;
- (b) To request that Steve Sprason, Head of Asset Management come to the next meeting of the Audit and Governance Committee to provide further details and to answer questions concerning recommendation EA015 and the comments made on this;
- (c) To request that David Oakes, City ICT, come to the next meeting of the Audit and Governance Committee to provide further details and to answer questions concerning recommendation IA172 and the comments made on this;
- (d) To request that the “forecast completion date” column be populated with dates.

#### **41. MINUTES**

The Committee agreed to approve the minutes (previously circulated) of the meeting held on 29<sup>th</sup> September 2011.

#### **42. DATES OF FUTURE MEETINGS**

The Committee agreed to note that the Committee would meet at 6.00pm on the Town Hall on the following dates:

Monday 6<sup>th</sup> February 2011

Monday 16<sup>th</sup> April 2011

**The meeting started at 6.00 pm and ended at 6.45 pm**

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