

AUDIT COMMITTEE

26 September 2014

PRESENT - Councillor Baldwin (in the Chair); Councillors Johnson and McEwan. (3)

APOLOGIES – Mr. J. Morton

OFFICERS – Brian James, Head of Corporate Assurance; Peter Carrick, Financial Services Manager, Oliver Plumpton, Assistant Head of ICT Services and Simon Gallagher, Health and Safety Adviser.

ALSO IN ATTENDANCE – Nicola Brown, PriceWaterhouseCoopers.

A12. DECLARATIONS OF INTEREST – There were no declarations of interest reported at the meeting.

A13. MINUTES – RESOLVED – That the Minutes (previously circulated) of the meeting of this Committee held on 25th June, 2014 be taken as read and approved as a correct record.

A14. CORPORATE HEALTH AND SAFETY REPORT 2013/14 – The Director of Neighbourhood Services and Resources submitted a report (previously circulated) advising Members of the performance on health and safety within the Authority together with both progress and future actions associated with the implementation of the Council's plans for health and safety management.

It was reported that the main focus for the year had been to complete the Health and Safety Management Project and to continue to drive health and safety improvements across the Council and to establish a 'Think Safety Group' to develop a strategy to drive improvement in the health and safety culture of the organisation and to ensure that health and safety was embedded as an integral part of the Council's core business.

RESOLVED – That the progress to date and the key planned actions for 2014/15 be noted.

REASON – To inform Members of the performance and key planned actions on health and safety within the Authority.

A15. ICT STRATEGY – IMPLEMENTATION PROGRESS REPORT – The Head of ICT and Design and Print submitted a report (previously circulated) on the progress in relation to the implementation of the approved ICT Strategy.

It was reported that the ICT Strategy, which had been re-written for the period 2014 -16 and had been approved by the Systems and Information Governance Group earlier in the year, continued to focus on the five strategic priorities of ICT Service Development, ICT Governance, ICT Strategic Architecture, Business Development and ICT Competent Workforce and also included six key principles which would be applied when considering any new technology related initiatives.

Details of the progress against each of the strategic priorities were included in the submitted report.

RESOLVED – That the progress to date be noted.

REASON – To provide the Audit Committee with evidence to reflect on progress in delivery of the Council's ICT Strategy.

A16. AUDIT OF ACCOUNTS 2013/14 – The Director of Neighbourhood Services and Resources submitted a report (previously circulated) providing Members with information on the outcome of the audit of the Council's 2013/14 accounts and the Value for Money assessment and seeking approval to conclude the accounts based on Officers recommendations, with regard to key issues arising from the audit.

The submitted report referred to three unadjusted misstatements in the accounts and the reasons for those misstatements and it was reported that, following discussion with PwC, the Council's external auditors, it was considered that the items were not material, either individually, or collectively, in the context of the Statement of Accounts as a whole, and it was not proposed to adjust them in the accounts.

Particular reference was also made to the systems of internal financial control and to the responsibility of management to ensure arrangements were in place to monitor their adequacy and effectiveness in practice and to three areas which had been highlighted during the audit which were brought to the attention of the Audit Committee, together with management's response thereon, namely the need to ensure all related parties had been identified, errors noted in calculations of valuations of property; and incorrect posting of invoices.

It was reported that, in accordance with statutory requirements, the Council's external auditors, PwC, had audited the accounts and a copy of the report which outlined the results of their audit on the accounts and the Value for Money conclusions, was appended to the submitted report. Nicola Brown from PwC advised Members that the audit work on the accounts had been completed and, subject to Members' decisions resulting from consideration of the submitted report, an unqualified audit opinion would be issued.

RESOLVED – (a) That the Auditors ISA 260 report on the Council's 2013/14 financial statements be noted.

(b) That the accounts be not adjusted in respect of the items listed in the submitted report.

(c) That the IFRS compliant Statement of Accounts for the 2013/14 financial year be approved.

(d) That the thanks of this Committee be extended to the Financial Services Manager and his Team.

REASON – To support the Council's corporate governance arrangements.

A17. AUDIT SERVICES ANNUAL AUDIT PLAN 2014/15 – PROGRESS REPORT –

The Head of Corporate Assurance submitted a report (previously circulated) outlining the progress made during the first five months of the year against the 2014/15 Annual Audit Plan.

It was reported that the Audit Assignment work had resulted in substantial assurance opinions in respect of Land Charges, Cemeteries and Crematorium, Head of Steam, two primary schools, Public Health, Licensing and Trading Standards. In relation to Audit Services' key performance indicators, the position was positive.

RESOLVED – That the progress report against the 2014/15 Annual Audit Plan be noted.

REASON – To provide the Audit Committee with evidence to reflect on the Council's governance arrangements.

A18. INFORMATION GOVERNANCE PROGRAMME PROGRESS REPORT – The Director of Neighbourhood Services and Resources submitted a report (previously circulated) on the progress and planned developments of the Information Governance Programme.

It was reported that information governance remained an 'above the line' risk on the corporate risk register and the submitted report outlined progress in the delivery of each strand of the information governance programme, namely information security policy, information risk assessment and improvement action plan; information governance training and awareness; information classification and handling; information sharing; information security incidents; data quality and the transparency agenda.

It was reported that the Council continued to make gradual progress on the delivery of the information governance programme and that implementation of the action plans, was, with the support of the Information Governance Team, on-going across services, with progress being monitored by Assistant Directors for evidence of effective delivery.

It was also reported that the requirements of the Better Care Fund and the Care Act 2014 had moved the focus of the information governance programme to compliance with the Department of Health IG Toolkit and that whilst there was no significant impact on the on-going work, it did however, set an April 2015 deadline for the completion of specific tasks.

RESOLVED – That progress on the implementation of the Information Governance Programme be noted.

REASON – To provide the Audit Committee with evidence to reflect on progress in delivery of the Council's Information Governance Programme.

A19. ANNUAL GOVERNANCE STATEMENT – The Director of Neighbourhood Services and Resources submitted a report (previously circulated) seeking approval to the Council's Annual Governance Statement (also previously circulated), a key document which involved a variety of people charged with delivering governance within the authority and which was required to be published each year, to accompany the Statement of Accounts, in accordance with Regulation 4 of the Accounts and Audit

(England) Regulations 2011.

It was reported that the Annual Governance Statement, outlined the Council's responsibilities; explained the purpose of the governance framework; set out the key elements of the governance framework; detailed the review of its effectiveness; highlighted significant governance issues; and included a commitment by the Leader of the Council and the Chief Executive to ensure the continuous improvement of the system in place.

RESOLVED – That the draft Annual Governance Statement, as appended to the submitted report, be approved.

REASON – The Annual Governance Statement comprises part of the Council's corporate governance arrangements.