

**AUDIT COMMITTEE
11TH JUNE 2019**

PRESENT: The Chair (B. Angell)
Councillors Bolton, Bradshaw, Charles and
Parsons

Strategic Director of Corporate Services
Head of Strategic Support
Head of Planning and Regeneration
Sustainability Officer
Democratic Services Officer (NA)

APOLOGIES: Councillors Hadji-Nikolaou and C. Harris

The Chair stated that the meeting would be recorded and the sound recording subsequently made available via the Council's website. He also advised that, under the Openness of Local Government Bodies Regulations 2014, other people may film, record, tweet or blog from this meeting, and the use of any such images or sound recordings was not under the Council's control.

51. MINUTES FROM THE PREVIOUS MEETING

The minutes of the meeting of the Committee held on 26th February 2019 were confirmed as a correct record and signed.

52. APPOINTMENT OF THE VICE-CHAIR 2019/20

Councillor Bolton volunteered to be the Audit Committee Vice-Chair for 2019/20. The proposal was put to the vote by the committee.

RESOLVED that Councillor Bolton be appointed Vice-chair of the Committee for the Council year 2019/20.

53. DISCLOSURES OF PECUNIARY AND PERSONAL INTEREST

No disclosures were made.

54. QUESTIONS UNDER OTHER COMMITTEE PROCEDURES 12.8

No questions had been submitted.

55. EXTERNAL AUDIT PROGRESS REPORT AND TECHNICAL UPDATE

A report of the External Auditors providing a progress report and technical update was submitted to the Committee for consideration.

Jon Machej from Mazars attended the meeting and assisted with the item.

RESOLVED That the Committee notes the report.

Reason

To acknowledge the Committee's consideration of this item.

56. ENVIRONMENTAL AUDITS - REPORT ON OUTCOMES

A report of the Head of Planning and Regeneration was submitted (item 6 on the agenda filed with these minutes).

The Head of Planning and Regeneration and the Sustainability Officer attended the meeting to assist the Committee with the consideration of this item.

The Committee was advised that new auditors had been employed who were more thorough and had impressed the team. Action had been taken on all the issues or recommendations highlighted and the team was confident that there were processes in place to ensure that all of the actions would be completed.

RESOLVED

1. that an update on the outcomes of the Environmental Audit be provided to the Committee at their October meeting.

2. that the report be noted.

Reasons

1. To allow the Committee to be kept up to date with the progress of issues identified.

2. The Committee was content with the report with the addition of the first resolution.

57. 2018/19 TREASURY MANAGEMENT OUTTURN

A report of the Head of Finance and Property Services was submitted reporting on the Treasury Management, Investment Management and Prudential Code Outturns for the year 2018/19 (item 7 on the agenda with these minutes).

The Strategic Director for Corporate Services attended the meeting to assist with consideration of the item.

The Committee was advised that the Council had been prudent over the last year in terms of investment but the property fund investments had yielded good returns.

RESOLVED

1. That information regarding the differing figures in the General Fund and HRA between the February and June Audit Committee meetings be provided to the Committee following the meeting.
2. That more detailed information regarding the changing levels of investment funds be provided to the Committee following the meeting.
3. That the report be noted.

Reasons

- 1&2. To provide the Committee with the information requested regarding the matter.
3. To acknowledge the Committee's consideration of this item.

58. INTERNAL AUDIT CHARTER

A report of the Head of Strategic Support was submitted presenting the Internal Audit Charter to the Committee for approval (item 8 on the agenda filed with these minutes).

The Head of Strategic Support attended the meeting to assist the Committee with the consideration of this item.

RESOLVED that the report be noted.

Reason

The Committee was content with the report and had no specific areas of concern or actions that it wished to include as part of its decision.

59. COUNCILLORS AND INDEPENDENT MEMBERS ALLOWANCES AND EXPENSES 2018/19

A report of the Head of Strategic Support was submitted to the Committee to consider the amounts claimed by members of the Borough Council and co-opted members under the Council's Member's Allowances Scheme for 2018/19. (item 9 on the agenda filed with these minutes).

The Head of Strategic Support attended the meeting to assist with consideration of the item.

RESOLVED that the report be approved.

Reason

The Committee was content with the report and had no specific areas of concern or actions that it wished to include as part of its decision.

60. WHISTLE BLOWING AND ANTI-FRAUD, CORRUPTION AND BRIBERY

A report of the Head of Strategic Support was submitted to provide the Committee with information regarding the operation of the Anti-Fraud and Corruption Strategy and Whistle-blowing Policy during 2018/19 (item 10 on the agenda filed with these minutes).

The Head of Strategic Support attended the meeting to assist the Committee with the consideration of this item.

RESOLVED that the report be noted.

Reason

The Committee was content with the report and had no specific areas of concern or actions that it wished to include as part of its decision.

61. ANNUAL INTERNAL AUDIT REPORT

A report of the Head of Strategic Support was submitted presenting the Annual Internal Audit report (item 11 on the agenda filed with these minutes).

The Head of Strategic Support attended the meeting to assist the Committee with the consideration of this item.

The Committee was advised that there had been some slippage during the year due to lack of resource within the Audit Team. This was being addressed by considering options for the future of the service which included sharing the service with a neighbouring authority. The Committee noted their concern about the lack of work completed and their willingness for the solution to work.

RESOLVED that the report be noted.

Reason

The Committee was content with the report once they had been advised that the Council was looking at options for the service to address the lack of resource within the Audit Team.

62. INTERNAL AUDIT PLAN - PROGRESS REPORT

A report of the Head of Strategic Support was submitted summarising the progress against audits for the 2018/19 Audit Plan (item 12 on the agenda filed with these minutes).

The Head of Strategic Support attended the meeting to assist the Committee with the consideration of this item.

RESOLVED that the report be noted.

Reason

To acknowledge the Committee's consideration of this item.

63. RISK MANAGEMENT (RISK REGISTER) UPDATE

A report of the Head of Strategic Support was submitted providing the Committee with details of the Strategic Risk Register produced for the period up to 2019/20 (item 13 on the agenda filed with these minutes).

The Head of Strategic Support attended the meeting to assist the Committee with the consideration of this item.

The Committee was advised that following a peer challenge review the previous year the Council had made significant changes to the Risk Register. The Register was updated in November along with the procedure guide and the Council started to include its risk appetite. There were actions in place to check the register was operating successfully and the register would also be reviewed on a quarterly basis to ensure it was up to date.

RESOLVED that the report be noted.

Reason

The Committee was content with the report and had no specific areas of concern or actions that it wished to include as part of its decision.

64. COUNCIL'S USE OF REGULATORY INVESTIGATORY POWERS ACT (RIPA)

A report of the Head of Strategic Support was submitted providing the Committee with a summary of the Council's use of RIPA powers (item 14 on the agenda included with these minutes).

The Head of Strategic Support attended the meeting to assist the Committee with the consideration of this item.

RESOLVED that it be noted that there has been no use made of RIPA powers by the Council for the period from 1st August to 31st October 2017.

Reason


To enable the Committee to comply with the request from Cabinet that the Audit Committee assumes responsibility for receiving a quarterly report on the use of RIPA, and to report to Cabinet any concerns arising from those reports that may indicate that the use of RIPA is not consistent with the Policy or that Policy may not be fit for purpose.

65. WORK PROGRAMME

A report of the Head of Strategic Support was submitted to enable the Committee to consider its work programme (item 15 on the agenda filed with these minutes).

RESOLVED that the Committee proceeds on the basis of the following work programme, which incorporates all decisions made at this meeting:

ISSUE	MEETING
Internal Audit Business	Ongoing
2018/19 Statement of Accounts	24th July 2019 (Accounts Meeting) Annually
2018/19 Annual Governance Statement and Review of the Code of Corporate Governance	24th July 2019 (Accounts Meeting) Annually
Environmental Audits Outcomes – Progress update	8th October 2019
Internal Audit Plan – Progress	8th October 2019 Quarterly
Risk Management (Risk Register)	8th October 2019 Quarterly - detailed report every six months, exception report quarters in-between.
Council's Use of Regulation of Investigatory Powers Act (RIPA)	8th October 2019 Quarterly
Annual IT Health Check (Code of Connection) Confidential Report	8th October 2019 Annually

Treasury Management Mid-Year Review	19th November 2019	
	Annually	
2019/20 Treasury Management Statement, Annual Investment Strategy and MRP Strategy	18th February 2020	
	Annually	
2020/21 Internal Audit Plan	18th February 2020	
	Annually	
2018/19 Annual Internal Audit Report	9th June 2020	
	Annually	
2018/19 Review of the effectiveness of Internal Audit (Feedback from Panel)	9th June 2020	
	Annually	
Internal Audit Charter	9th June 2020	
	Annually (for approval)	
2018/19 Members' Allowances Claimed	9th June 2020	
	Annually	
Whistle Blowing and Anti-fraud, Corruption and Bribery	9th June 2020	
	Annually	
Environmental Audits – Report on Outcomes	9th June 2020	
	Annually	
	<i>Note: Six month exception report where identified actions are not implemented by the target date.</i>	
2018/19 Treasury Management Outturn	9th June 2020	
	Annually	
Future of Local Public Audit	Report on Government proposals considered 5th July 2011. Further report once final regulations/guidelines are known.	
	<i>Note:</i> Appointing Your External Auditor briefing note considered June 2016.	
Policy for Engagement of External Auditors for non-audit work	Considered March 2013.	
	Review policy - date to be agreed	
External Audit Business	Ongoing	
2019/20 Annual Governance Report	24th July 2019 (Accounts Meeting)	
	Annually	
External Audit Progress Report and Technical Update	24th September 2019	
	Quarterly	
2018/19 Annual Audit Letter	February 2020	
 Charnwood	7	Audit Committee - 11th June 2019 Published – 13th June 2019
Certification of Claims and Returns (2019/20 Audit)	February 2020	
	Annually	
2020/21 External Audit Plan	February 2020	

NOTES:

1. No reference may be made to these minutes at the Council meeting on 2nd September 2019 unless notice to that effect is given to the Democratic Services Manager by five members of the Council by noon on the fifth working day following publication of these minutes.
2. These minutes are subject to confirmation as a correct record at the next meeting of the Audit Committee.