

Minutes

OF A MEETING OF THE



Listening Learning Leading

Audit and Corporate Governance Committee

HELD AT 6.00 PM ON TUESDAY 18 MARCH 2014

COUNCIL CHAMBER, COUNCIL OFFICES, CROWMARSH GIFFORD

Present:

Ms Kristina Crabbe, Mrs Margaret Davies, Mr Neville F Harris, Mr Paul Harrison and Mr Roger Bell (as substitute for Mr David Bretherton).

Apologies:

Mr Michael Welply, Mr David Bretherton and Mr John Cotton tendered apologies.

Officers:

Mr Steve Bishop, Mr William Jacobs, Mr Craig Pullen and Mrs Jennifer Thompson.

Also present:

Mr David Dodds, Cabinet member for Finance, Waste and Parks

28 Election of chairman for this meeting

In the absence of the chairman and vice-chairman, Mr Paul Harrison was elected to chair this meeting.

29 Minutes of the previous meeting

RESOLVED: to approve the minutes of the meeting held on 28 January 2014 as a correct record and to agree that the Chairman sign them as such.

30 Declaration of disclosable pecuniary interest

None.

31 Internal audit management report

Mr C Pullen, Interim Audit Manager, presented the report that indicated a 73 per cent chargeable rate for audit activity for Quarter 4. The temporary auditor would continue until a permanent auditor was in post to allow a handover period. A second recruitment round for this post was underway. Progress against the audit plan was set out in the report. Performance figures were good, although some chargeable time had been lost due to office moves and consequent administrative tasks. Reports for recently completed audits would be issued in draft by the end of March.

Mr S Bishop, Strategic Director, reported that the project management of the office moves and refurbishment would be formally evaluated and the internal report made available to members.

The committee noted the report.

32 Internal audit activity report

The committee considered the report of the Interim Audit Manager that summarised the outcomes of recent internal audit activity. On this occasion there were no reports before the committee as each had satisfactory or full assurance.

Mr C Pullen, Interim Audit Manager, highlighted that the table of systemic control weaknesses showed a further decrease in numbers. Appendix 2 in the report to the next committee would show recommendations by service area.

The committee noted the report, which continued to show an increase in performance.

33 Internal audit annual plan 2014-2015

The committee considered the report of the Interim Audit Manager setting out the internal audit plan for 2014/15.

Mr C Pullen, Interim Audit Manager, explained the process for setting the audit plan.

The team were providing chargeable internal audit services for three parish councils. There was capacity for this level of external paid work and it provided the expertise parish councils required. There were no plans to take on more of this work as to do so would require more resources.

Councillors expressed some concerns about the internal audit team undertaking external fee-generating audit work for parish councils as this may impact on their ability to provide a service for the council.

The audit of outsourced functions was restricted to the provision and procedures the council had in place for ensuring contract compliance.

RESOLVED: to approve the internal audit annual plan for 2014/15 as set out in the report.

34 Ernst & Young audit plan

The committee considered the audit plan supplied by Ernst & Young LLP.

Mr Mick West and Mr Adam Swain of Ernst & Young explained the plan and the reduction in certification work as a result of changes in legislation and responsibility for expenditure. They explained how the auditors used written and electronic records to assure themselves that there was neither fraud nor mis-statement in the accounts, and checked that the internal audit function was robust and not under pressure to curtail its activities.

The committee noted the audit plan and the explanations from the auditors.

35 Business continuity and risk management update

The committee considered the report of the Interim Audit Manager providing an update on the council's business continuity and risk management arrangements.

Mr C Pullen, Interim Audit Manager, introduced the report. He and Mr S Bishop, Strategic Director, explained that the risk registers would next be updated in April. There was sufficient capacity at Abbey House to allow services for both councils to be provided from there in an emergency; and a move to duplicate remote data sites was proposed to reduce the risk of data loss.

Members of the committee were concerned that the large number of changes in the council increased the risks of disruption to services. They were of the view that a full review of the council's business continuity and risk management plans should be carried out earlier than proposed.

The committee noted the report.

The meeting closed at 7.00 pm

Chairman

Date