

## SUMMARY OF DECISIONS TAKEN PART I

**MEETING:**                    **Audit Committee – TUESDAY 29 MARCH 2016 – 18.00 hrs.**  
**Shimkent Room, Daneshill House, Stevenage, SG1 1HN**

**MEMBERS PRESENT:**    Councillors M McKay (Chair), L Chester, D Cullen, J Gardner and J Lloyd CC

**ALSO PRESENT:**        B Mitchell (Independent Member), C Wood (Shared Internal Audit Service) N Jennings (Shared Anti-Fraud Service) and N Harris (Ernst and Young)

<p><b>1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST</b></p>	
<p>Apologies for absence were received from Councillors R Broom, G Lawrence and A McGuinness</p> <p>There were no declarations of interest.</p>	<p>G Moody Ext 2203</p>
<p><b>2. MINUTES – AUDIT COMMITTEE – MONDAY 1 FEBRUARY 2016</b></p>	
<p>It was <b>RESOLVED</b> that the Minutes of the Audit Committee held on 1 February 2016 are approved as a correct record and signed by the Chair.</p>	<p>G Moody Ext 2203</p>
<p><b>3. 2014/2015 CERTIFICATION LETTER</b></p>	
<p>The Assistant Director (Finance) advised the Committee of a typographical error at appendix A to the report. In the Value column the interim payment by DWP should read £36,410,576 and not £36,401,576 as shown.</p> <p>In reply to a comment relating to the additional costs incurred as a result of the discovery of an error in the</p>	<p>C Fletcher Ext 2933</p>

<p>Housing Benefit Subsidy claim the Committee was advised that the discovery of the error had resulted in the checking of a further batch of test cases to ensure that the error had not been duplicated elsewhere. It was confirmed that this had been the first error discovered since the instigation of the Shared Revenues and Benefits Service.</p> <p>It was <b>RESOLVED</b> that the Certification Letter is noted.</p>	
<p><b>4. EXTERNAL AUDIT PLAN</b></p>	
<p>The External Auditor advised the Committee that a letter had been received from the Chief Executive requesting a review of the proposed audit plan timetable and a full project plan would be presented to the next meeting of the Committee, with a final report to be presented to the September meeting.</p> <p>Members asked a number of detailed questions about the report which were answered by the External Auditor.</p> <p>It was <b>RESOLVED</b> that the Audit Plan is noted.</p> <p>N Harris left the meeting at the conclusion of this item.</p>	<p>N Harris Ernst and Young</p>
<p><b>5. INTERNAL AUDIT PROGRESS REPORT</b></p>	
<p>The Committee was advised that since the publication of the agenda two further reports had been issued. The Business Continuity report had been issued with a ‘substantial’ assurance level and contained 1 medium level recommendation and the Risk Management report had been issued with a ‘full’ assurance level.</p> <p>In response to a request from the Committee the Assistant Director (Finance) undertook to present the following Internal Audit reports at the next meeting of the Committee:</p>	<p>C Wood SIAS</p> <p>C Fletcher Ext 2933</p>

<ul style="list-style-type: none"> <li>• BMO Issue of Materials</li> <li>• Gas Service Contract</li> <li>• Roofing Contracts</li> </ul> <p>It was <b>RESOLVED</b> that the Internal Audit Progress Report for the period to 11 March 2016 is noted.</p>	
<p><b>6. 2016/2017 INTERNAL AUDIT PLAN</b></p>	
<p>In reply to a request from the Committee the Assistant Director (Finance) undertook to provide a briefing note detailing the guiding principles by which work areas for audit were chosen.</p> <p>In reply to a question it was confirmed that no area of the Council's activities were exempt from Audit inspection.</p> <p>It was <b>RESOLVED</b> that the Stevenage Borough Council Internal Audit Plan for 2016/2017 is approved.</p>	<p>C Fletcher Ext 2933</p>
<p><b>7. SHARED ANTI-FRAUD SERVICE (SAFS) REPORT</b></p>	
<p>With the agreement of the Chair appendix 3, the TEICCAF Fraud Briefing, was withdrawn from the report.</p> <p>The Committee was advised that the Counter Fraud Officer for the Council would be Paul Taylor and not Tracy Reeves as detailed in the report.</p> <p>It was noted that a full report on the Council's Anti-Fraud Performance would be presented to the Committee at its September meeting.</p> <p>Members asked a number of detailed questions about the report which were answered by the Officer.</p> <p>In reply to a request the Internal Audit Manager undertook to include members of the Committee on the</p>	<p>N Jennings SAFS</p> <p>C Wood</p>

<p>circulation list for a 'shared learning' paper which was produced for partners as a result of audit and anti-fraud activities.</p> <p>The Committee did not wish to pass any comments onto the Executive regarding the proposed Fraud Prosecution Policy.</p> <p>It was <b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>1. That progress against the SAFS Business Plan for 2015/2016 is noted</li> <li>2. That the SAFS/SBC Anti-Fraud Action Plan for 2016/2017 is agreed</li> <li>3. That the proposed Fraud Prosecution Policy for use from April 2016 is noted.</li> </ol>	<p>SIAS</p>
<p><b>8. CORPORATE GOVERNANCE CODE AND ARRANGEMENTS</b></p>	
<p>It was <b>RESOLVED</b> that the key governance enhancements delivered in 2015/16, the scheduled future enhancement activity and the significant enhancement activity planned for 2016/17 to deliver against the CIPFA/SOLACE Framework, 'Delivering Good Governance in Local Government', as set out in Appendix A to this report, and as a result the enhancements to the aligned detailed arrangements in place to deliver the Council's Code of Corporate Governance is noted.</p>	<p>E Wright Ext 2192</p>
<p><b>9. URGENT PART I BUSINESS</b></p>	
<p>None.</p>	
<p><b>10. EXCLUSION OF THE PRESS AND PUBLIC</b></p>	
<p>It was <b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>1. That under Section 100 (A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of</li> </ol>	

<p>exempt information as described in paragraphs 1-7 of Part I of Schedule 12A of the Act, as amended by SI 2008 No.88.</p> <p>2. That having considered the reasons for the following item being in Part II it was determined that maintaining the exemption from disclosure of the information contained therein outweighed the public interest in disclosure.</p>	
<p><b>PART II</b></p>	
<p><b>11. STRATEGIC RISK REGISTER – QUARTER 3</b></p>	
<p>In response to a request the Assistant Director (Finance) undertook to circulate a briefing note on the potential repayment of Right to Buy receipts to members of the Committee.</p> <p>It was <b>RESOLVED:</b></p> <p>1. That the Strategic Risk Register Quarter 3, 2015/16 is noted (Appendices A1 – A5).  2. That developments on risk management issues are noted as outlined in paragraph 4.2 of the report.</p>	<p>C Fletcher Ext 2933</p> <p>E Wright Ext 2192</p>
<p><b>12. URGENT PART II BUSINESS</b></p>	
<p>None.</p>	