

STEVENAGE BOROUGH COUNCIL**AUDIT COMMITTEE
MINUTES****Date: Wednesday 10 June 2015****Time: 6.00 p.m.****Place: Shimkent Room, Daneshill House, Danestrete, Stevenage****Present:** Councillors: M McKay (Chair), L Chester, D Cullen,
J Gardner, G Lawrence and J Lloyd CC.**Also Present:** B Mitchell (Independent Member) and H Maneuf (Shared
Internal Audit Service).**Started:** 6.00 p.m.**Ended:** 7.05 p.m.**1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies for absence were received from Councillors R Broom and A McGuinness.

There were no declarations of interest.

2. TERMS OF REFERENCE

It was **RESOLVED** that the terms of reference of the Audit Committee be noted.

3. APPOINTMENT OF VICE-CHAIR

It was moved, seconded and **RESOLVED** that Councillor J Gardner be appointed as the Vice-Chair of the Audit Committee for the municipal year 2015/2016.

4. MINUTES – AUDIT COMMITTEE – 23 MARCH 2015

It was **RESOLVED** that the Minutes of the meeting of the Audit Committee held on 23 March 2015 be approved as a correct record and signed by the Chair.

**5. 2014/2015 ANNUAL ASSURANCE STATEMENT AND INTERNAL
AUDIT ANNUAL REPORT**

The Committee had before it a report which documented Internal Audit's overall opinion on the adequacy and effectiveness of the Council's control environment; summarised the audit report from which the opinion was derived; summarised the performance of the internal audit service; showed the outcomes of the self-assessment against the

Public Sector Internal Audit Standards and presented the Audit Charter for 2015/2016.

Members were advised of the launch of the Shared Anti-Fraud Service and its links to the Shared Internal Audit Service through the Audit Charter.

In reply to a question the Committee was advised that following a SIAS audit inspection a report would be drafted for the appropriate Head of Service for consideration. The final report, including recommendations and review dates, would then be submitted to the Assistant Director Finance and the relevant Director. The Committee was further assured that all recommendations were monitored by the Performance and Improvement team.

It was **RESOLVED**:

1. That the Annual Assurance Statement and Internal Audit Annual Report is noted.
2. That the results of the self-assessment as required by both the Public Sector Internal Audit Standards and the Quality Assurance and Improvement Programme is noted.
3. That the SIAS Audit Charter is accepted.
4. That the assurance given by SIAS that the scope and resources for internal audit were subject to no inappropriate limitations in 2014/2105.

6. INTERNAL AUDIT PROGRESS REPORT.

The Committee received an update to the Internal Audit Progress Report as of 10 June 2015.

The Committee was advised that there were no concerns with progress against the agreed workplan at this stage.

The Committee then asked a number of questions, which were answered by the Officer, about the relationships between the Council and its contractors for the provision and security of materials for housing contracts.

It was **RESOLVED** that the report be noted.

7. ANNUAL GOVERNANCE STATEMENT

The Committee had before it the Council's Annual Governance Statement for 2014/2015.

The Committee was advised that the report represented a true picture of the Council's processes and procedures and identified the key improvement areas for 2015/2016 which included the implementation of a new balances and payments system to improve access arrangements to customers and a review of corporate and contract management arrangements.

A Member expressed concern that no date was shown for the delivery of the second phase of the Changing Channels Programme and in reply to a request the Assistant Director Finance undertook to report back to the Committee at the November meeting.

In reply to a question concerning the contract of rates schedule for specialist works the Committee was advised that all contracts were let in accordance with the Contract Standing Orders and Procurement Rules as detailed in the Council's Constitution. Additionally all housing contracts were monitored on a monthly basis.

It was **RESOLVED**:

1. That the Council's 2014/2105 Annual Governance Statement, attached as Appendix One to the report, is recommended for approval by the Statement of Accounts Committee.
2. That the governance arrangements outlined in the Stevenage Borough Council Governance Framework 2014/2105, attached as Appendix Two to the report, is noted.

8. THE LOCAL CODE OF CORPORATE GOVERNANCE

The Committee received a report detailing the Council's current Local Code of Corporate Governance.

It was **RESOLVED** that the Council's Local Code of Corporate Governance be approved and reaffirmed.

9. URGENT PART 1 BUSINESS.

None.

10. EXCLUSION OF THE PRESS AND PUBLIC

It was **RESOLVED**:

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 exempt information as described in paragraphs 1-7 of Part I of Schedule 12A of the Act, as amended by SI 2006 No.88.

2. That having considered the reasons for the following item being in Part II it be determined that maintaining the exemption from disclosure of the information contained therein outweighed the public interest in disclosure.

PART II

11. STRATEGIC RISK REGISTER QUARTER 4 – 2014/2015

The Committee received the Strategic Risk Register for Quarter 4.

Members noted the addition of a new risk to the register and asked a number of questions about the report which were answered by the Officer.

It was **RESOLVED:**

1. That the Strategic Risk Register Quarter 4 2014/15 (Appendices A1 – A5) is noted
2. That developments on risk management issues (as outlined in paragraph 4.2 of the report) is noted.

12. URGENT PART II BUSINESS

None.

Chair