

**STEVENAGE BOROUGH COUNCIL****AUDIT COMMITTEE  
MINUTES****Date: Tuesday 26 March 2013****Time: 6.00 p.m.****Place: Shimkent Room, Daneshill House, Danestrete, Stevenage**

**Present:** Councillors: C Latif (Chair), J Gardner, R Parker CC and M Yarnold-Forrester  
Independent Member: B Mitchell.

**Also Present:** Terry Blackman (Grant Thornton)  
Sally-Anne Pearcey and Gursh Bains (Shared Internal Audit Services (SIAS))

**Started:** 6.00 p.m.

**Ended:** 7.25 p.m.

**1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies for absence were received from Councillors D Cullen and M McKay and the Resources Portfolio Holder Councillor Mrs J Lloyd.

There were no declarations of interest.

**2. MINUTES – AUDIT COMMITTEE – 4 FEBRUARY 2013**

It was **RESOLVED** that the Minutes of the meeting of the Audit Committee held on 4 February 2013 be approved as a correct record and signed by the Chair.

**3. EXTERNAL AUDIT PLAN**

The Committee had before it the Audit Plan 2012/13 report, as received from the Council's Auditors, Grant Thornton.

The External Auditor advised the Committee that, in the opinion of Grant Thornton, the Council had a well run Finance Department.

Members asked a number of detailed questions relating to key developments (Welfare Reforms etc) that would be considered in preparation for the audit which were answered, where possible, by the Officers. However the Committee was advised that a number of key definitions and processes remained unclear pending further instructions and guidance from Central Government.

In reply to a question regarding Welfare Reforms and the ability to apply for weekly payments to tenants the Committee was advised that the housing sector had lobbied the Government through the appropriate channels.

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

#### **4. INTERNAL AUDIT PROGRESS REPORT.**

The Internal Audit Manager presented a report which detailed progress against the 2012/13 Internal Audit Plan.

The Committee was advised that 91% of the plan would be delivered by the Easter weekend and it was anticipated that the target of 95% plan delivery would be achieved by year end.

The Committee was further advised that five high priority recommendations had been identified from audit work undertaken which would be dealt with as agenda items 7 and 11.

It was **RESOLVED:**

1. That the report be noted.
2. That the amendments to the plan as at 8 March 2013 be approved.

#### **5. INTERNAL AUDIT PLAN**

The Committee had before it a report to provide Members with the proposed Stevenage Internal Audit Plan 2013/2014.

The Committee was advised that a meeting of SIAS partners in November, input from the Assistant Director (Finance) and a review of the Strategic Risk Register had informed the creation of the plan.

In reply to a question the Committee was advised that Human Resources (HR) and Organisational Development risks had been assigned a red flag because they had not been reviewed in the previous six months. It was confirmed that neither was off target and that a meeting had been arranged with the new interim HR Manager to discuss.

In reply to a further question the Committee was advised that a meeting had been arranged for the first quarter of 2013/14 to agree the scope of an audit into Waste Partnerships.

It was **RESOLVED** that the proposed Stevenage Borough Council Internal Audit Plan 2013/2014 be approved.

## **6. CORPORATE GOVERNANCE ARRANGEMENTS**

The Performance and Improvement Manager presented a report to advise the Committee of the Council's self assessment against the principles of corporate governance and to update the on progress made to enhance the Council's corporate governance arrangements.

The Committee was advised that overall scores were acceptable and that none of the seventy nine requirements fell within the score range 1-3 which indicated that they were of a high risk to the organisation.

In reply to a question the Committee was advised that there were some opportunities for improvement, especially with regard to the requirement for the Council to provide an induction programme tailored to an individual's needs, together with opportunities for Members and Officers to update their knowledge on a regular basis. It was confirmed that actions to address this requirement were underway.

It was **RESOLVED**:

1. That the Council's self assessment against the requirements that form the six key principles of corporate governance in the CIPFA / SOLACE Framework, as set out in Appendix A to the report, be noted.
2. That the progress made against actions identified for delivery in 2013/13, and actions planned for 2013/24 to enhance the Council's corporate governance arrangements, as identified in Appendix A, be noted.

## **7. REVISIONS TO CONTRACT STANDING ORDERS**

The Assistant Director (Finance) presented a report to update the Committee on the revisions to the Council's Contract Standing Orders.

The Committee was advised that the changes to the Contract Standing Orders were to amend a number of job titles and organisational names and to tighten up procedures for the receipt and openings of quotations over £5,000 and up to £75,000, which had arisen as a result of an audit recommendation.

It was **RESOLVED** that the revised Contract Standing Orders be recommended to Council for approval.

## **8. URGENT PART 1 BUSINESS.**

The Committee was advised that Gursh Bains would be moving to a new role within Shared Internal Audit Services and this was likely to be his final appearance at the Audit Committee. Members extended their

thanks to Gursh for the work and support he had given to the Committee over the years.

## **9. 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 items 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 reports 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**

### **10. STRATEGIC RISK REGISTER – QUARTER 3**

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

### **11. LIMITED ASSURANCE AUDIT REPORTS**

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

### **12. URGENT PART II BUSINESS**

None.

## **Chair**