FINANCE, RESOURCES, AUDIT AND GOVERNANCE COMMITTEE

Minutes of a meeting of the Finance, Resources, Audit and Governance Committee of South Norfolk Council held at South Norfolk House, Long Stratton, on Tuesday 3 September 2013 at 2.00 pm.

Committee Members Present: Councillor M Edney (Chairman)
Councillors K Billig, L Dale, D Goldson, T Lewis, T Palmer and L Webster

Non - Appointed: Councillor G Wheatley

Officers in Attendance: The Deputy Chief Executive (A Radford), the Head of Finance (D Lorimer), the Internal Audit Consortium Manager (S King) and the Compliance & Risk Manager (L Mickleborough).

Also in attendance: Mr R Murray (Ernst and Young)

30 MINUTES

The minutes of the meeting held on 28 June 2013 were confirmed as a correct record and signed by the Chairman.

Arising from minute number 21 regarding the recent review on on-street parking, the Compliance and Risk Manager advised that she had spoken to the Food, Health & Safety Manager and had emailed members of the Finance, Resources, Audit and Governance Committee with a response. As some members stated they had not received the correspondence, she agreed to resend the email.

31 FINANCE, RESOURCES, AUDIT AND GOVERNANCE COMMITTEE SELF ASSESSMENT EXERCISE

The Internal Audit Consortium Manager presented the report to the Committee summarising the salient points of the checklist. She advised members that the self assessment exercise had been helpful in identifying areas where enhancements could be implemented to improve upon existing operational arrangements.
Members did not raise any questions and it was:

RESOLVED:  
1. to approve the summary report and the detailed checklist.  
2. to progress the actions identified.  
3. to refer the documents and actions to Cabinet for subsequent endorsement.

32 ANNUAL REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT FOR 2012/13

The Internal Audit Consortium Manager presented her report which reviewed the effectiveness of Internal Audit.

In response to a question regarding the use of external auditors, the Internal Audit Consortium Manager clarified that delivery of the Internal Audit Plan had been outsourced to a contractor, currently Deloitte, whereas all other aspects of internal audit work were dealt with by an in-house Audit Management Team. Conversely, the external audit work was carried out by Ernst and Young. Members were advised of how issues regarding the work of Deloitte had been resolved and they were assured that since actions had been taken, improvements had been seen and that these issues would not reoccur.

Concerns were raised by a member regarding the decision in 2012 to make the Finance, Resources, Audit and Governance Committee a policy committee reporting to Cabinet, as this was not in line with the Chartered Institute of Public Finance and Accountancy (CIPFA)'s guidance that Audit Committees should be independent from the Executive and Scrutiny. Cllr Wheatley advised members that the decision to give Cabinet authority over audit was practical, given the management structure of South Norfolk Council. Mr Murray advised the Committee that he had reported in the previous year that the Council had not followed CIPFA guidelines regarding the decision to change the reporting of the audit committee to Cabinet. He added that he would assess the Council’s deviation from the guidelines and their impact before deciding how to report his opinion for 2012/13.

It was then

RESOLVED:  
1. to note the findings of the annual review of the effectiveness of Internal Audit for 2012/13.  
2. to approve referral of the report to Cabinet for endorsement.

The meeting concluded at 2.33 pm

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Chairman