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 Friday 26 June 2015 at 9.30 am.

Committee Members Present: Councillors: P Hardy (Chairman for the duration of the meeting), L Dale, C Hudson, W Kemp and R Savage

Apologies: Councillors: G Wheatley and T Lewis

Substitute: Councillor: V Bell for T Lewis

Cabinet Member Present: Councillor: M Edney

Officers in Attendance: The Internal Audit Consortium Manager (E Hodds) and the Accountancy Manager (M Fernandez-Graham)

Also in Attendance: Tina Meyer (Ernst & Young)

85 MINUTES

The minutes of the meeting held on 6 March 2015 were confirmed as a correct record and signed by the Chairman.
86 LOCAL AUDIT COMMITTEE BRIEFING

Members considered the EY Local Government Audit Committee Briefing which contained technical issues and information relevant to the local government sector. Tina Meyer provided members with a brief summary and, in response to a member’s enquiry, confirmed that much work had been done, and was still being undertaken, to improve the efficiency and effectiveness of local government audit processes and procedures.

87 PROGRESS REPORT ON INTERNAL AUDIT ACTIVITY

The Internal Audit Consortium Manager updated members with her report which examined the progress made between 25 February and 9 April 2015 in relation to the Annual Internal Audit Plan for 2014/15. The Committee was provided with a brief summary of the six completed audits which had been finalised within the period, of which five had received ‘adequate’ audit opinions and the sixth, which related to stock control at leisure centres, had been awarded a limited assurance opinion, as detailed in the report.

In response to a member’s query concerning the iTrent system, the Committee was reassured that the software was simply a tool used by the Council for collating information regarding earnings and expenses, and that monies being paid from SNC to both member and officers was not directed via a third party. The Internal Audit Consortium Manager also confirmed that an audit had been carried out for CNC in 2014 and this area was not due to be reviewed again until 2016/17.

It was suggested that the Council consider introducing an audit to ensure that members held valid vehicle insurances and that the procedure currently in place to check a random sample of officers’ details should be extended to include councillors. Officers agreed to consider this as part of the Member Services Audit which would take place in 2015/16.

It was then

RESOLVED: to note the outcomes of the six completed audits finalised in the period covered in the report and the completion of the annual audit plan for 2014/15.
88 FOLLOW UP REPORT ON INTERNAL AUDIT RECOMMENDATIONS

The Committee considered the report of the Internal Audit Consortium Manager which sought to inform members of the position in relation to the Council’s implementation of the agreed internal audit recommendations falling due by 31 March 2015.

Members were advised that 61 audit recommendations were implemented within year and 23 remained outstanding at 2014/15 financial year end, and that most would be implemented by 30 June 2015. Following a brief discussion, it was

RESOLVED: to note the position in relation to the completion of agreed audit recommendations as at 31 March 2015.

89 ANNUAL REPORT AND OPINION 2014/15

Members considered the report of the Internal Audit Consortium Manager which detailed the outcomes of the Internal Audit work undertaken in 2014/15. Members were advised that the report also sought to inform members of the Effectiveness of Internal Audit and to provide key information for the Annual Governance Statement.

The Committee heard that the Council had been awarded an ‘adequate’ assurance in respect of the overall adequacy and effectiveness of the Council’s governance, risk and control framework for the year ending 31 March 2015, and that there were no issues that needed raising in the Annual Governance Statement. In addition the Committee heard the Internal Audit Service was currently effective and met the required standards.

There were no questions and it was

RESOLVED: to RECOMMEND that Council:

1. gives its approval to the Annual Report and Opinion of the Internal Audit Consortium Manager;
2. approves the Review of the Effectiveness of Internal Audit.

to:

3. note that an adequate audit opinion had been given in relation to the framework of governance, risk management and control for the year ended 31 March 2015;
4. note that the opinions expressed together with significant matters arising from internal audit work and contained within the report should be given due consideration, when developing and reviewing the Council’s Annual Governance Statement for 2014/15.
FINANCE, RESOURCES, AUDIT & GOVERNANCE COMMITTEE WORK PROGRAMME

Members noted the Finance, Resources, Audit & Governance Committee’s work programme.

The Chairman asked members to consider whether they wished for the Local Audit Committee Briefing to continue to be presented at meetings of the FRAG Committee or if it would be sufficient for members to receive the publication separately. Following a vote, it was agreed that the item would not be included in future agendas and Tina Meyer agreed that members could contact her directly or through officers if they had any questions.

The meeting concluded at 9.55 am