

## **AUDIT AND RISK COMMITTEE**

Monday, 21st July, 2014

**Present:-** Councillor John Taylor – in the Chair

Councillors Loades, Allport and Mrs Burgess

1. **APOLOGIES**

Apologies were received from Cllr Jones, Cllr Sweeney and Mr Butters.

2. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

3. **MINUTES OF PREVIOUS MEETINGS**

**Resolved:** That the minutes of the meeting held on 7<sup>th</sup> April be agreed as a correct record.

4. **REVISED TERMS OF REFERENCE FOR THE AUDIT AND RISK COMMITTEE**

**Resolved:** That the revised terms of reference be agreed.

5. **PLAN OF WORK FOR THE AUDIT COMMITTEE**

**Resolved:** That the plan of work for the Audit Committee be agreed.

6. **HEALTH AND SAFETY ANNUAL REPORT**

The Corporate Health and Safety Officer introduced a report to inform Members of issues and trends regarding health and safety at the council. Members requested that additional information be provided in relation to the RIDDOR Reportable Incidents (to Employees) included in the Report. It was agreed that this would be provided as soon as possible after the meeting.

**Resolved:** That the report be noted.

7. **NEWCASTLE AUDIT COMMITTEE UPDATE - GRANT THORNTON**

**Resolved:** That the update be received.

8. **NEWCASTLE-UNDER- LYME BOROUGH COUNCIL PLANNED AUDIT FEE FOR 2014 -2015**

**Resolved:** That the letter and contents be received.

9. **CORPORATE RISK MANAGEMENT REPORT**

## **Audit and Risk Committee - 21/07/14**

The Executive Director for Finance and Resources drew members' attention to page 42 of the agenda which listed the only changes that had been made.

**Resolved:** That the Committee approve the current Risk Management Policy and Strategy for the 2014/15 year, subject to changes listed in the documents, and ask that the Chief Executive and Leader of the Council agree and sign the Risk Management Policy Statement.

### **10. TREASURY MANAGEMENT ANNUAL REPORT**

A report was submitted providing the Committee with information in relation to the Treasury Management Annual Report for 2013/2014 prior to its submission to Full Council in September 2014.

The Executive Director states that the Council would be interviewing banks on 22<sup>nd</sup> July 2014 which had responded to the tendering process.

**Resolved:** That the Treasury Management Annual Report for 2013/14 be received and reported to Full Council on 17<sup>th</sup> September 2014.

### **11. STATEMENT OF ACCOUNTS**

The draft Statement of Accounts 2013/14 was submitted for consideration by the Audit and Risk Committee and to gain approval for the financing of capital expenditure. The report highlighted the key issues which were contained in the accounts including a commentary on the General Fund outturn, the Collection Fund and the Balance Sheet and to note the position regarding the Council's reserves.

At this stage the Statement of Accounts was in a draft stage and was subject to external audit. Once that audit was completed then the Statement would be submitted to the committee for formal scrutiny and approval.

Members thanked Dave Roberts and his team for all of the hard work carried out in the preparation of the document.

**Resolved:**

(a) That the contents of the draft Statement of Accounts for 2013/14 be noted.

b) That the financing of capital expenditure incurred during 2013/14, as set out in Appendix 2 be approved.

### **12. ADOPTION OF INTERNAL HIGH RISK RECOMMENDATIONS AND SUMMARY OF ASSURANCES**

Members received a report listing any outstanding high risk recommendations to the Audit and Risk Committee on a quarterly basis and where necessary to request Members' approval to the Executive Directors requested actions in respect of the recommendations and proposed target dates.

The report also provided Members with an assurance opinion on internal controls over Council Services.

**Resolved:** That the actions of officers and levels of assurance be noted

**13. INTERNAL AUDIT ANNUAL REPORT**

A report was submitted requesting members to consider the annual report of the Internal Audit Section for the financial year 2013-14 which was enclosed as Appendix A.

Members questioned whether there was a Council wide initiative to reduce cash payments received. It was stated that this was the case.

Members thanked the Audit Manager and her team for all of their hard work.

**Resolved:** That the Internal Audit Section Annual Report for 2013-14 be received.

**14. REVIEW OF THE EFFECTIVENESS OF THE AUDIT COMMITTEE**

In order to demonstrate that the Council had good governance and as part of providing evidence to support the Annual Governance Statement, the Council needed to demonstrate that it had an effective Audit Committee. An assessment had been completed on the effectiveness of the Audit Committee for 2013/14 and the results were summarised within the report.

**Resolved:** That the report outlining the findings from the review of the effectiveness of the Audit Committee for 2013/14 be noted.

**15. REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT**

A report was submitted for members to consider the findings of the annual review of the effectiveness of the system of Internal Audit for 2013/14.

The Committee thanked Mrs Dodd and her team for all of their hard work.

**Resolved:** That the report outlining the findings from the review of the effectiveness of the system of Internal Audit for 2013/14, together with the action plan be agreed.

**16. ANNUAL GOVERNANCE STATEMENT**

A report was submitted recommending that the Annual Governance Statement 2013/14 be approved for inclusion in the financial statements.

Members expressed some concern in relation to the lack of information relating to risks including recycling by residents in terraced houses and flats and risks relating to community centres. Officers would look into this and a report would be provided to the next meeting.

**Resolved:** That the Annual Governance Statement 2013/14(AGS) be approved.

**17. URGENT BUSINESS**

There was no urgent business.

**COUNCILLOR JOHN TAYLOR**  
**Chair**