

AUDIT AND RISK COMMITTEE

Monday, 4th July, 2016

Present:- Councillor Ms Sarah Pickup – in the Chair
Councillors Cooper, Dymond, Stubbs, Waring and White

1. DECLARATIONS OF INTEREST

There were no declarations of interest stated.

2. MINUTES OF PREVIOUS MEETINGS

Resolved: That the minutes of the meeting held on 14 April, 2016 be agreed as a correct record.

3. TERMS OF REFERENCE

The Terms of Reference for this Committee were attached to the agenda to act as a reminder for Members who had previously sat on this Committee and as a guide for new Members.

Resolved: That the information be received.

4. WORK PLAN 2016/17

Members were advised of the Plan of Work for this Committee, which sets out standard reports which are brought to committee on a quarterly basis and also what other reports are coming - and when. Other items can be added into the programme throughout the year.

Resolved: That the information be received.

5. HEALTH AND SAFETY ANNUAL REPORT 2015/16

Consideration was given to the Health and Safety Annual Report.

Members were informed that Target 100, which is the safety management system that the Council uses, was due an upgrade imminently.

A revised sheet was issued to Members at the meeting which gave last year's figures in relation to accident reports. Although the number of accidents had fallen, the number of days lost had increased. This was, however, due to one incident resulting in an absence of 78 days.

With regard to the Lone Working Review, Members asked if this Committee could have a final viewing of any reports and were advised that the information could be included in the six month review.

Resolved: That the report be noted.

6. RISK MANAGEMENT QUARTER 4 REPORT 2015/16

Consideration was given to a report informing Members of progress made by the Council in enhancing and embedding risk management for the period January to March, 2016.

Members were advised that there were no new risks. In addition, they were informed that two risks on Appendix A had reduced and would be removed from the list next time around.

Resolved:

- (i) That the information be received.
- (ii) That the number of overdue risks be noted.
- (iii) That the one risk level increase be noted.
- (iv) That it be noted that there were no new risks identified between January and March, 2016.

7. TREASURY MANAGEMENT ANNUAL REPORT

Consideration was given to the Treasury Management Annual Report for 2015/16 and review the activity for that period. Members queried whether Newcastle was making the most of the investment funds and asked if the Cabinet could be asked if there was a better way of going forward. Officers advised Members that risk has to be minimised and therefore the Council was limited with what it could do.

Resolved: That the Treasury Management Annual Report for 2015/16 be received and be reported to Full Council on 13 July, 2016.

8. DRAFT STATEMENT OF ACCOUNTS 2015/16

Consideration was given to a report updating Members on the draft Statement of Accounts for 2015/16.

The Executive Director for Regeneration and Development drew members' attention to the table on page 36 of the agenda stating that it would require amending in 2018 when statements will need to be done by the end of May and signed off by the Auditors by the end of July.

Credit was given to Dave Roberts and his team who had carried out a dry run this year and had achieved having the statement done by the end of May.

Resolved: That the information in respect of the outturn and key issues in respect of the Council's financial position as at 31 March, 2016 be noted.

9. OUTSTANDING AUDIT RECOMMENDATIONS AND ASSURANCE STATEMENT QUARTER 4

Consideration was given to a report on the adoption of internal audit high risk recommendations and summary of assurance for quarter 4.

Only high risk recommendations are brought to the Audit and Risk Committee and if the target date is changed on two occasions it would be brought back.

Resolved: That the action of your officers and levels of assurance be noted.

10. ANNUAL REPORT OF THE INTERNAL AUDIT SERVICE

Consideration was given to the annual report of the Internal Audit Section for the year 2015/16.

The report was attached as an appendix to the report.

Resolved: That the Internal Audit Section Annual Report for 2015-16 be received.

11. REVIEW OF THE EFFECTIVENESS OF THE AUDIT COMMITTEE

Consideration was given to a report regarding a review of the effectiveness of the Audit Committee. A self-assessment had been carried out for 2015-16 had been carried out and was appended to the report.

Resolved: That the report outlining the findings from the review of the effectiveness of the Audit Committee for 2015-6 be noted.

12. REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT

Consideration was given to a report in respect of a review of the system of Internal Audit.

Members were advised that a self-assessment document could be viewed by following the link on the agenda.

An external Assessment would be completed during the course of the year,

Resolved: That the report outlining the findings from the review of the effectiveness of the system of Internal Audit for 2015-16, together with the action plan, be agreed.

13. ANNUAL GOVERNANCE STATEMENT

Consideration was given to a report seeking Members' approval of the Annual Governance Statement for 2015-16. The Statement would then be included in the financial statement.

Resolved: That the Annual Governance Statement for 2015-16, be approved.

14. PLANNED AUDIT FEE FOR 2016/17

Consideration was given to a letter from Grant Thornton regarding the planned audit fee for 2016-17.

Resolved: That the information be received.

15. URGENT BUSINESS

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There was no Urgent Business.

**COUNCILLOR MS SARAH PICKUP
Chair**