

GOVERNANCE, AUDIT AND STANDARDS COMMITTEE

26 MARCH 2018

Present: Councillor J W Handley, Chair

Councillors: E H Atherton
S A Bagshaw
T P Brindley
D A Elliott (substitute)
J C Goold
R I Jackson
J M Owen
P J Owen (substitute)
J C Patrick
A W G A Stockwell

An apology for absence was received from Councillor J W McGrath.

27. DECLARATIONS OF INTEREST

There were no declarations of interest.

28. MINUTES

The minutes of the meeting held on 29 November 2017 were confirmed and signed.

29. ANNUAL AUDIT LETTER 2016/17

The Council's external auditors, KPMG, were present at the meeting and informed members that an unqualified opinion on the Council's accounts had now been issued.

30. ANNUAL REPORT ON GRANTS AND RETURNS 2016/17

A representative from KPMG attended the meeting to inform members that the annual report on grants and returns to work had been published.

31. EXTERNAL AUDIT PLAN 2017/18

A representative from the Council's auditors KPMG presented the Plan and provided members with an update on the progress in delivering its responsibilities.

32. STATEMENT OF ACCOUNTS 2017/18 – ACCOUNTING POLICIES

The Committee was informed that prior to the completion of the Statement of Accounts 2017/18, it was considered good practice that members were given the opportunity to discuss and comment on the accounting policies to be used in the production of the financial statements. These policies would be applied to the treatment of all transactions that make up the Statement of Accounts to ensure the accounts presented a true and fair view of the financial position of the Council as at 31 March 2018.

RESOLVED that the Accounting Policies for 2017/18 be approved.

33. STATEMENT OF ACCOUNTS 2017/18 – UNDERLYING PENSION ASSUMPTIONS

Members noted a report which provided information regarding the assumptions made by the pension fund actuary in calculating the International Accounting Standard 19 - Employee Benefits figures to be reported in the 2017/18 Statement of Accounts.

34. THE CODE OF CONDUCT AND THE ROLE OF THE MONITORING OFFICER

The item was deferred until the next meeting.

35. INTERNAL AUDIT PROGRESS REPORT

The Committee received a report informing of the work of Internal Audit. Members requested clarification on the segregation of duties with regard to storekeeping at Kimberley Depot. Officers stated that the separation of duties would not be cost effective and there was no question of wrongdoing.

36. CORPORATE GOVERNANCE ARRANGEMENTS

Members noted a report on the statutory obligations regarding corporate governance and the approach to be taken in the production of the Annual Governance Statement for inclusion in the Council's published financial accounts for 2017/18.

37. ANNUAL COUNTER FRAUD REPORT 2017

Members noted the Annual Counter Fraud Report 2017 which reports on issues related to corruption and money laundering prevention activity.

38. INTERNAL AUDIT REVIEW OF EFFECTIVENESS 2017/18

The Accounts and Audit Regulations 2015 required the Council to undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with proper practices, such as the Public Sector Internal Audit Standards that are mandatory for all principal local authorities.

It was proposed by Councillor R I Jackson and seconded by Councillor J W Handley that the resolution be amended to recognise the positivity of those involved with the creation of the Review of Effectiveness 2017/18. The amendment, on being put to the Committee, was carried.

RESOLVED that the review of the effectiveness of the system of internal audit be approved and to acknowledge the appreciation of the Committee for the work undertaken by the Internal Audit team.

39. INTERNAL AUDIT PLAN 2018/19

The Committee received a report informing of the work of Internal Audit and was informed that the Public Sector Internal Audit Standards required the Chief Audit and Control Officer, as the designated 'chief audit executive', to prepare an annual risk based audit plan.

RESOLVED that the Internal Audit Plan for 2018/19 be approved.

40. REVIEW OF STRATEGIC RISK REGISTER

Following the report to the last meeting of the Committee, and in accordance with the timescales set out in the Risk Management Strategy, the Strategic Risk Management Group met on 7 February 2018 to review the Strategic Risk Register. Members were informed that alternatives to the risk map were being considered. Suggestions would be reported to the Group prior to being submitted to the Committee.

RESOLVED that the amendments to the Strategic Risk Register and the action plans to mitigate risks, as set out in the appendix to the report, be approved.

41. WORK PROGRAMME

RESOLVED that the Work Programme be approved.