

GOVERNANCE, AUDIT AND STANDARDS COMMITTEE

11 MARCH 2019

Present: Councillor E H Atherton, Vice-Chair in the Chair.

Councillors: S A Bagshaw
T P Brindley
D A Elliott
J C Goold
R I Jackson
E Kerry (substitute)
J M Owen
P J Owen (substitute)
J C Patrick

Apologies for absence were received from Councillors J W Handley and K E Rigby.

33. **DECLARATIONS OF INTEREST**

Councillor R I Jackson declared a non-pecuniary interest in item 8 due his role at Nottinghamshire County Council, minute number 39 refers.

34. **MINUTES**

The minutes of the meeting held on 3 December 2018 were confirmed and signed.

35. **ANNUAL REPORT ON GRANTS AND RETURNS 2017/18**

The Committee was noted the report from KPMG on grants and returns to work that had been published.

36. **EXTERNAL AUDIT STRATEGY**

The Council's external auditors, Mazars, were present at the meeting and provided members with an overview of progress in delivering the company's responsibilities.

37. **EXTERNAL AUDIT REPORT 2017/18 – MANAGEMENT RESPONSES UPDATE**

The External Audit Report 2017/18, presented by the Council's previous external auditors (KPMG) to the Governance, Audit and Standards

Committee on 23 July 2018, followed their work on the Council's 2017/18 accounts. This included five recommendations intended to strengthen the Council's financial reporting processes whilst ensuring the quality and accuracy of the financial statements and that they were produced in a timely manner. Members noted the work being undertaken in response to the recommendations.

38. STATEMENT OF ACCOUNTS 2018/19 – ACCOUNTING POLICIES

The Committee was informed that prior to the completion of the Statement of Accounts 2018/19, 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 2019.

RESOLVED that the Accounting Policies for 2018/19 be approved.

39. 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 2018/19 Statement of Accounts.

40. INTERNAL AUDIT PROGRESS REPORT

The Committee received a report informing of the work of Internal Audit. Members requested clarification on delays with regard to delays to procurement of stores items at Kimberley Depot. Officers stated that the backlog was being worked through and many of the contents required retendering.

RESOLVED that the revisions to the Internal Audit Plan for 2018/19, as set out in appendix 2 of the report, be approved.

41. INTERNAL AUDIT PLAN 2019/20

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. Members were informed that Universal Credit was considered as a key strategic risk.

RESOLVED that the Internal Audit Plan for 2019/20 be approved.

42. 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 6 February 2019 to review the Strategic Risk Register. Members were informed that the new Risk Management Strategy included a '5x5' risk map matrix to assess both the threats and opportunities for each strategic risk in terms of both the likelihood and impact.

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.

43. WORK PROGRAMME

RESOLVED that the Work Programme be approved.