

AUDIT & REGULATORY COMMITTEE

Meeting: Wednesday, 14 February 2018 at 6.30 pm in The Cafe, Pavilion Gardens, Buxton

Present: Councillor J Douglas (Chair)

Councillors D Kerr (substitute for N Longos), A McKeown (substitute for A Barrow), J Pritchard, K Sizeland (substitute for S Helliwell), J Todd and J Wharmby (substitute for C Boynton)

Independent Person – Mrs C Morgan

Grant Patterson (External Audit), and Councillor E Thrane were also in attendance

Apologies for absence were received from Councillors A Barrow, C Boynton, S Helliwell, N Longos and Mr P Grant

18/34 TO APPROVE THE MINUTES OF THE PREVIOUS MEETING
(Agenda Item 3)

RESOLVED:

That the minutes of the meeting held on 27 September 2017 be approved as a correct record.

18/35 APPOINTMENT OF INDEPENDENT MEMBERS
(Agenda Item 4)

Consideration was given to the appointment of Independent Members to the Committee.

RESOLVED:

That Mr Peter Grant and Mrs Cheryl Morgan be appointed as Independent Members of the Audit and Regulatory Committee.

(Mrs Cheryl Morgan joined the meeting after consideration of this item.)

18/36 ANNUAL AUDIT LETTER FOR 2016/17
(Agenda Item 5)

Councillors were presented with a summary of the results of External Audit work carried out for the year ending 31st March 2017. There had been no significant matters arising and the auditors had issued an unqualified opinion. The Council had proper arrangements to secure economy, efficiency and effective ness in its use of resources.



It was reported that Allison Rhodes had moved on within Grant Thornton. The Committee requested that their thanks and appreciation be conveyed to Allison for all her hard work.

RESOLVED:

That the Annual Audit Letter for 2016/17 be noted.

18/37 CERTIFICATION OF CLAIMS AND RETURNS ANNUAL REPORT
(Agenda Item 6)

The report summarised work undertaken to certify the Housing Benefit Subsidy claim submitted by the Authority which found that the Council had appropriate arrangements to compile a complete, accurate and timely claim for audit certification. An assurance statement on the Council's annual Pooling of Housing Capital Receipts Return for 2016/17 was also provided.

RESOLVED:

That the Annual Grant Certification Letter 2016/17 be noted.

18/38 EXTERNAL AUDIT 2017/18 AUDIT PLAN
(Agenda Item 7)

Councillors considered the External Audit Plan for 2017/18. This included matters relating to materiality, significant risks, the approach to securing value for money and the audit cycle. Monitoring, joint venture Alliance Environment Services, valuation estimates, accounting issues and policy decisions were discussed.

RECOMMENDED:

That Council be recommended to note the External Audit Plan for 2017/18.

18/39 EXTERNAL AUDIT INFORMING THE RISK ASSESSMENT
(Agenda Item 8)

The purpose of the report was to contribute towards the effective two-way communication between auditors and the Council's Audit and Regulatory Committee. Monitoring, appropriate controls and joint venture arrangements were considered.

RESOLVED:

That the report be noted.

18/40 RISK MANAGEMENT UPDATE (OVERVIEW OF STRATEGIC, OPERATIONAL AND PROJECT RISKS)
(Agenda Item 9)

The Committee considered a report the purpose of which was to allow the robust scrutiny of the Council's risk management arrangements in accordance with generally accepted good practice. Changes to the



scheduled completion date for work at the Octagon and the high operational risk profile were discussed.

RESOLVED:

1. That the Council's current risk position be noted.
2. That the mitigation plans summarised within Appendix A (strategic risks) and Appendix B (operational risks) of the report be approved.

18/41 ANNUAL GOVERNANCE STATEMENT - PROGRESS AGAINST 2016/17 ACTION PLAN
(Agenda Item 10)

Regulations required the Council to conduct a review each financial year of the effectiveness of its system of internal control and approve an Annual Governance Statement (AGS). The AGS Action Plan (Appendix 1 of the report) outlined the progress made against the required actions as at the end of December 2017. Changes to the operating model for the waste collection service and the delay in completing Phase 1 works at the Pavilion Gardens were discussed.

RESOLVED:

That the progress information contained within the report be noted.

18/42 TREASURY MANAGEMENT UPDATE
(Agenda Item 11)

The Council's Treasury Management performance in 2017/18 was scrutinised in compliance with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management 2009 and generally accepted good practice. Discussion took place on a possible rise in the Bank of England interest rate.

RECOMMENDED:

That the Treasury Management position (as at 31st December 2017) be noted.

18/43 2018/19 TREASURY MANAGEMENT STRATEGY
(Agenda Item 12)

The purpose of the report was to allow members of the Committee to consider and endorse the Council's Treasury Management Strategy for 2018/19 to ensure that its capital and treasury activities for the next four years were affordable and properly managed. The Council's capital expenditure plans and how these plans were to be financed were discussed.

RECOMMENDED:



That the Annual Treasury Management Strategy Statement (TMSS) 2018/19 be approved.

18/44 2017/2018 INTERNAL AUDIT PERIODIC REPORT
(Agenda Item 13)

The Accounts and Audit Regulations 2015 required the Council to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance”. In accordance with the Public Sector Internal Audit Standards, the Audit Manager must report periodically to the Audit Committee on the internal audit activity’s performance relative to its plan.

Consideration was given to the Elections Audit report, effect of the Parliamentary election being called at short notice and some procurement responsibility being outside of the Council’s control.

RESOLVED:

That the progress information contained within the report be noted.

18/45 WORK PROGRAMME 2018/19
(Agenda Item 14)

Consideration was given to the Committee work programme for 2018/19. The Code of Practice would be added. It was reported that once all 3 Independent members were in place a new skills audit would be undertaken and training arranged.

RESOLVED:

That, subject to the above, the Committee Work Programme be noted.

The meeting concluded at 7.36 pm

CHAIRMAN