

Cherwell District Council

Accounts, Audit and Risk Committee

Minutes of a meeting of the Accounts, Audit and Risk Committee held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 25 June 2014 at 6.30 pm

Present: Councillor Mike Kerford-Byrnes (Chairman)
Councillor Dan Sames (Vice-Chairman)

Councillor Barry Richards
Councillor Lawrie Stratford
Councillor Barry Wood

Also Present: Alistair Rankine, Ernst Young, External Auditor
Chris Baston, Ernst Young, External Auditor

Apologies for absence: Councillor Ray Jelf
Councillor Nicholas Mawer
Councillor Douglas Williamson

Officers: Tim Madden, Interim Head of Finance and Procurement
Nicola Jackson, Corporate Finance Manager
Chris Dickens, Chief Internal Auditor
Sharon Hickson, Assistant Democratic and Elections Officer
Natasha Clark, Team Leader, Democratic and Elections

3 Declarations of Interest

There were no declarations of interest.

4 Petitions and Requests to Address the Meeting

There were no petitions or requests to address the meeting.

5 Urgent Business

There was no urgent business.

6 Minutes

The Minutes of the meetings of the Committee held on 26 March 2014 and 16 June 2014 were agreed as correct records and signed by the Chairman.

7 **Chairman's Announcements**

There were no announcements from the Chairman.

8 **External Audit: Audit Fee Letter 2014-15 and Progress Update 2013-14**

The Committee considered a report of the Head of Finance and Procurement on the External Auditors' annual audit fee letter for 2014/15 and an update on the work undertaken by external audit.

In presenting the report the External Auditor confirmed the fee for 2014-15 remained as agreed within the Audit Commission's fee scales.

The Committee was informed that the audit of the statutory accounts would begin the week commencing 30 June 2014.

Resolved

- (1) That the Audit Fee Letter and the progress update from Ernst Young be noted.

9 **Internal Audit - Annual Report 2013-14**

The Committee considered a report of the Head of Finance and Procurement on the Internal Audit Annual report 2013/14.

In introducing the report, the Chief Internal Auditor advised the committee that the 24 internal audit reviews had been completed which had resulted in the identification of 16 moderate and 38 low risk rated findings. The Chief Internal Auditor advised the committee that this was a positive annual report for the Council.

The Internal Auditor reported that during 2013/14 5 days had been assigned to follow up work to assess whether actions in response to recommendations raised during 2012/13 had been implemented. The Committee was advised that a number of issues had been re-raised during 2013/14 and that failure to implement actions and ensure issues were not raised again would be flagged in the 2014-15 Annual Report.

Resolved

- (1) That the Internal Audit Annual Report 2013-14 be noted.

10 **Fourth Quarter Risk Review**

The Committee considered a report of the Head of Transformation and Corporate Performance Manager on the management of Strategic, Corporate and Partnership Risks during the final quarter of 2013/14.

In introducing the report, the Interim Head of Finance and Procurement advised the Committee that the Risk Register 2014/15 was currently being worked on and would be completed by the end of June.

The Committee agreed that due to the high values and complexity of the project, consideration should be given to placing the Graven Hill project on the Risk Register.

Resolved

- (1) That the quarter 4 Strategic, Corporate and Partnership Risk Register be noted.
- (2) That officers be requested to give consideration of the inclusion of Graven Hill on the risk register.

11 **Anti Fraud and Corruption plus Whistle blowing Update**

The Interim Head of Finance and Procurement gave a verbal update on Anti-Fraud and Corruption plus Whistle Blowing.

The Committee was informed that there were no issues to bring to their attention.

Resolved

- (1) That the verbal update be noted.

12 **Annual Governance Statement 2013 - 14**

The Committee considered a report of the Interim Head of Finance and Procurement which sought approval of the Annual Governance Statement 2013-14.

Resolved

- (1) That the Annual Governance Statement 2013/14 be approved.

13 **Update to Existing 2014-15 Treasury Strategy**

The Committee considered a report of the Interim Head of Finance and Procurement on the proposed amendments to the existing Treasury Strategy for 2014-15 which were required to facilitate the proposals for the development of the Graven Hill and other projects.

The Committee was advised that the amended Treasury Strategy would be submitted to full Council in July for approval.

Resolved

- (1) That the proposed amendments to the existing Treasury Strategy for 2014/15 be noted.
- (2) That the proposal to provide delegated authority to the Director of Resources in the application of Minimum Revenue Provision (MRP) be noted.

14 **Statement of Accounts**

The Committee considered a report of the Interim Head of Finance and Procurement which sought consideration and endorsement of the Statement of Accounts for 2013-14 (subject to audit).

The Corporate Finance Manager reported that the informal review meeting, held prior to this meeting had considered the Statement of Accounts in details and recommended minor updates to the report which would be incorporated in the final version.

The Committee thanked the Interim Head of Finance and Procurement and the finance team for their hard work in producing the accounts.

Resolved

- (1) That the Statement of Accounts be noted.
- (2) That the outcomes of the informal review undertaken on 25 June be noted.
- (3) That it be agreed that the sign off of the "subject to Audit" Statement of Accounts be delegated to the Chief Financial Officer for signing on or before the 30 June 2014.
- (4) That the arrangements for the budget carry forward and capital slippage requests to be submitted to Full Council in July be noted.
- (5) That Full Council be recommended to agree an amendment to paragraph 2.4.6 of the Council's Financial Procedure Rules whereby relevant carry forward requests require the approval of the Accounts, Audit and Risk Committee rather than Council.

15 **Public Interest Report - Corby Borough Council**

The Committee considered a report of Director of Resources on the Public Interest Report that was issued by KPMG in relation to "Managing Capital Regeneration Projects" at Corby Borough Council using the report to critically appraise arrangements at Cherwell District Council.

Resolved

- (1) That the report be noted.

16 **Accounts, Audit and Risk Committee Annual Report 2013-14**

The Committee considered a report of the Interim Head of Finance and Procurement summarising the work of the Accounts, Audit and Risk Committee during 2013-14.

Resolved

- (1) That, subject to the inclusion of attendance details, the report be noted.

17 **Work Programme**

The Committee considered its Work Programme 2014-15.

Resolved

- (1) That the work programme 2014-15 be noted.
- (2) That Officers be requested to add training sessions at appropriate times for Committee members.

18 **Exclusion of the Press and Public**

Resolved

That, in accordance with Section 100A(4) of Local Government Act 1972, the press and public be excluded from the meeting for the following items of business, on the grounds that they could involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1, Schedule 12A of that Act .

19 **Council Tax Billing Update**

The Committee considered a report of the Interim Head of Finance and Procurement informing members of the issues arising with the annual billing process for Council Tax.

Resolved

- (1) That the report be noted.

The meeting ended at 8.15 pm

Chairman:

Date: