

HARBOROUGH DISTRICT COUNCIL

MINUTES OF THE MEETING OF THE GOVERNANCE AND AUDIT COMMITTEE

Held in

The Council Chamber, The Symington Building, Adam and Eve Street, Market Harborough

On 19 November 2015

commencing at 6:30p.m.

Present:

Councillor Nunn, (Vice-Chairman)(in the Chair).

Councillors: Mrs Ackerley, Bilbie, Mrs. Burrell, Elliott, Hadkiss and Hall.

Officers: R. Ashley-Caunt (Welland Internal Audit Consortium), K. Cowell,

T. Croote (Welland Internal Audit Consortium), N. Proudfoot and P. Storey.

External Auditors. S. Gill (KPMG LLP).

284 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTIONS

An apology was received from Councillor Spendlove-Mason, who had been substituted by Councillor Hadkiss.

MINUTES

RESOLVED: That: the Minutes of the Meeting of the Governance and Audit Committee held on 24 September 2015 be taken as read and signed by the Chairman as a true record.

285 DECLARATIONS OF MEMBERS' INTERESTS

None reported.

286 ANNUAL AUDIT LETTER 2014/15

S. Gill of KPMG LLP presented the Committee with the Annual Audit Letter for the 2014/15 year.

The Committee noted that:

- (i) KPMG LLP issued the Council with an unqualified conclusion on the Authority's arrangements to secure Value for Money for the 2014/15 year.
- (ii) KPMG LLP issued an unqualified opinion on the Council's financial statements for the 2014/15 year.
- (iii) The fee for the external audit of the 2014/15 year was £58,882, which included an additional charge of £3,000 for the final accounts audit which was agreed by officers on 15 October 2015 and is subject to final approval by Public Sector Audit Appointments Ltd.

RESOLVED: That the Annual Audit Letter from KPMG LLP be noted.

287 EXTERNAL AUDIT – PROGRESS REPORT AND TECHNICAL UPDATE

S. Gill of KPMG LLP presented the Committee with a progress report and technical update, on the work they were undertaking for the Council.

The Committee noted that:

- (i) There were no early indicators of issues arising from the provisions of the Local Audit and Accountability Act 2014 which came into effect from 1 April 2015.
- (ii) Officers are preparing a Medium Term Financial Strategy, which will incorporate funding changes. Details of the Government's Spending Review were expected. DCLG had announced that they had agreed to a 30% cut but details and timing were not yet known. More details were expected in 2-3 weeks.
- (iii) The Council have a few infrastructure assets. A project is being set up to identify and review those the Council had. Information was available on the footpaths owned by the Council due to maintenance reviews. Discussions on infrastructure assets were taking place at the Leicestershire Chief Accountants Group on best practice and experience.

RESOLVED: That the progress report and technical update from KPMG LLP be noted.

#### 288 INTERNAL AUDIT – PROGRESS AND PERFORMANCE UPDATE

T. Croote from the Welland Internal Audit Consortium provided the Committee with an update on the delivery of the 2015/16 Audit Plan.

The Committee noted that

- (i) 57% of the Internal Audit Plan had been delivered at the time the report was written, using a total of 51-52% of the audit days and was on target to deliver by the end of the financial year.
- (ii) The overall productivity level was at 91%, exceeding the target of 90%.i. Only two customer satisfaction forms had been returned, showing satisfactory or better ratings. The low number of responses had been raised with officers.
- (iii) Progress was being made on actions over three months old and those not implemented would be followed up. The Head of Paid Service would ask Service Managers to keep Internal Audit better informed on progress on their recommendations and the reasons why any recommendations were not implemented.
- (iv) A piece of work on the Community Infrastructure Levy/Section 106 Agreements was being finalised and it was opportune that Internal Audit were reviewing this area.
- (v) Internal Audit had just completed reports on Licensing and Environmental Services and found Substantial Assurance and recommendations had been agreed. The Committee complimented the officers concerned on their work. The Environmental Services report was the first Embedded Assurance report at the Council and a further report would be presented to the Committee in January/February 2016 to see if the recommendations had been implemented – it was understood that they had been.

RESOLVED: That the report be noted.

#### 289 MATTERS OF SPECIAL URGENCY

None reported.

The Meeting ended at 7 08 p.m.