

HARBOROUGH DISTRICT COUNCIL

MINUTES OF THE GOVERNANCE AND AUDIT COMMITTEE MEETING

Held in The Symington Building, Adam and Eve St, Market Harborough

held on 14 November 2018

commencing at 6.30 p.m.

Present:

Chair: Councillor Rook

Councillors: Chapman, Elliott, Johnson, Liquorish and Mrs Page

Officers: S. Riley & G. Keeping

Internal Auditors (LGSS): R. Ashley-Caunt and T. Croote

APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTIONS

There were none.

MINUTES

RESOLVED: that the Minutes of the meetings of the Governance and Audit Committee held on 25th July and 11th September 2018 be taken as read and signed by the Chairman as a true record.

DECLARATIONS OF MEMBERS' INTERESTS

There were none.

INTERNAL AUDIT – PROGRESS AND PERFORMANCE UPDATE

T. Croote from LGSS presented the Committee with current progress against the 2018/19 Audit Plan up to the 25th October 2018.

The Committee noted that:

- (i) Approximately 63% of the agreed Plan was either in progress or complete.
- (ii) There were nine overdue recommendations, of which eight were overdue by more than three months. Of these, three were classified as high or medium priority.
- (iii) Four completed client satisfaction returns had been received – this represented 100% of those requested.
- (iv) One internal audit report had been finalised since the last Committee meeting; this was in relation to the Business “Grow On” Space. The conclusion of the audit was that the project was being effectively managed and was on course to deliver the expected outcomes within the approved budget and revised timetable. In order to further improve the controls and

compliance, three recommendations (all of low priority) had been made and an action plan agreed for their implementation.

RESOLVED: that the performance of internal audit, the key findings of completed audits and the status of outstanding recommendations be noted.

INTERNAL AUDIT – DEVELOPMENT OF INTERNAL AUDIT PLAN 2019/20

R. Ashley-Caunt from LGSS provided the Committee with an overview of the Audit Planning process for 2019/20.

In order to ensure that the Audit Plan for 2019/20 addresses the Council's key risks and adds value to the organisation, it is proposed that the Head of Internal Audit will identify and prioritise the areas for coverage by:

- Reviewing the Council's Risk Registers and Corporate Plan;
- Analysing coverage of Internal Audit reviews over the last four years and the assurance opinions provided following each review, to identify any assurance gaps or areas where follow-up work would be of value;
- Identifying any other sources of assurance for each of the Council's key risks, which may reduce the added value of an Internal Audit review and where work could be aligned with other assurance providers;
- Identifying any areas of the Audit Universe (a list of potential areas for audit review across the Council) which have not been subject to Internal Audit review during the last four years;
- Assessment of any risk areas highlighted by members of the Governance & Audit Committee where they require assurances from Internal Audit during 2019/20; and
- Meeting with members of Management Team to discuss key risks and emerging risk areas for the year ahead and any areas where Internal Audit support would be beneficial either in an assurance or consultancy role.

All potential audit coverage identified will be risk assessed and prioritised for inclusion in the Audit Plan, in consultation with Corporate Management Team, based on risk, other sources of assurance available and potential value added from a review.

The Committee noted that a draft Internal Audit Plan would be presented to it in March 2019 for review and formal approval.

Members were asked to consider areas where they required assurance from the Audit Plan in 2018/19 and to pass these to the Head of Internal Audit by the end of January 2019. Two suggestions were made at the meeting, in relation to:

- the effectiveness of the Council's consultation procedures; and
- the effectiveness of the Council's Planning Enforcement processes and outcomes.

RESOLVED that: the process proposed for the development of the Internal Audit Plan for 2019/20 be noted and approved.

MATTERS OF SPECIAL URGENCY

There were none.

The meeting closed at 7.02 p.m.