

## AUDIT AND STANDARDS COMMITTEE

3 February 2015

7.00 pm – 9.21 pm

Council Chamber, Ebley Mill, Stroud

### Minutes

#### Membership:

Councillor Nigel Studdert-Kennedy (Chair)	P	Councillor Colin Fryer	P
Councillor Tom Williams (Vice Chair)	P	Councillor Keith Pearson	P
Councillor Dorcas Binns	A	Councillor Rhiannon Wigzell	P
Councillor Martin Baxendale	P	Councillor Penny Wride	P
Councillor Karon Cross	A		

A = Absent P = Present

#### Officers in attendance

Strategic Head (Finance and Business Services)	Internal Audit Manager
Principal Accountant	Head of Asset Management
Senior Accountancy Officer	Community Safety Manager
Strategic Head (Corporate Services)	

#### Others in attendance

Matthew Arthur - KPMG

#### **AC.038**

#### **APOLOGIES**

An apology for absence was received from Councillor Dorcas Binns.

#### **AC.039**

#### **DECLARATIONS OF INTEREST**

There were none.

#### **AC.040**

#### **MINUTES**

#### **RESOLVED**

**That the Minutes of the meeting of the Audit and Standards Committee held on 25 November 2014 are approved as a correct record and signed by the Vice-Chair.**

#### **AC.041**

#### **PUBLIC QUESTION TIME**

None received.

**AC.042**                      **AUDIT AND STANDARDS WORK PROGRAMME**

Members agreed the additions to the Work Programme for the meeting on 7 April 2015.

- Review of Whistleblowing Policy
- Review of Effectiveness of the Audit Committee.

**RESOLVED**                      **To note the work programme, subject to the inclusion of the above in the 2014/15 work programme.**

**AC.043**                      **ANNUAL SUMMARY OF CERTIFICATION OF GRANT CLAIMS AND RETURNS 2013/14**

Matthew Arthur from KPMG presented the above report. The Audit Commission requires external auditors to prepare an annual report and make recommendations, if necessary, on the claims and returns it certifies for each client. KPMG have made two recommendations to improve the claims completion process, as detailed in their letter.

**RESOLVED**                      **To accept the report.**

**AC.044**                      **INTERNAL AUDIT PLAN MONITORING REPORT**

The Audit Manager presented his report to committee and was confident that the target of 90% would be achieved by the end of the year.

Committee discussed the Housing Contract, Car Parks and Brimscombe Port Audits and asked for an update on all three audits at the next meeting.

**RESOLVED**                      **To accept the report and the assurance given on the adequacy of internal controls operating in the system audited.**

**AC.045**                      **THIRD QUARTER TREASURY MANAGEMENT ACTIVITY REPORT 2014/15**

The Principal Accountant presented his report to provide an overview of the investment activity and performance up to the third quarter of the financial year.

**RESOLVED**                      **to approve the treasury management activity third quarter report for 2014/15.**

**AC.046****TREASURY MANAGEMENT STRATEGY, ANNUAL INVESTMENT STRATEGY AND MINIMUM REVENUE PROVISION POLICY STATEMENT 2015/16**

The Principal Accountant presented his report which outlined the Council's prudential indicators for 2015/16 – 2017/18 and sets out the treasury strategy for this period. He also gave an update following Council in January.

The report focussed on borrowing and investments.

**RECOMMENDED TO COUNCIL**

1. To adopt the prudential indicators and limits for 2015/16 to 2017/18;
2. Approve the treasury management strategy 2015/16, and the treasury prudential indicators;
3. Approve the investment strategy 2015/16, and the detailed criteria for specified and non-specified investments; and
4. Approve the Minimum Revenue Policy Statement 2015/16.

**AC.047****INTERNAL AUDIT & RISK MANAGEMENT SHARED SERVICE**

The Strategic Head (Finance and Business Services) presented the report for a shared internal audit and risk management service with Gloucestershire County Council and Gloucester City Council.

Currently the Council's internal audit function is a shared service with Gloucester City. If approved the current partnership would be disbanded and a new partnership formed with Gloucester City Council and Gloucestershire County Councils.

**RECOMMENDED TO COUNCIL**

1. To have a Shared Internal Audit and Risk Management Service ("the Service") with effect from 1 April 2015 (or such other date as is agreed between the Council, Gloucester City Council and Gloucestershire County Council) as outlined in the report, SUBJECT TO:
  - a) the entering into an Administrative Collaboration Agreement for the Service with the partner authorities on terms approved by the Strategic Head (Finance and Business Services); and
  - b) the formation of an Internal Audit and Risk Management Shared Services Board involving the Section 151 officers from each of the participating authorities, to oversee the implementation and ongoing monitoring of the Service;

2. To delegate its Internal Audit Function to Gloucestershire County Council in accordance with the provisions of Section 101 of the Local Government Act 1972.

**AC.048**

**PROTECTING THE PUBLIC PURSE, FRAUD BRIEFING  
2014**

Matthew Arthur from KPMG gave a presentation on the amount of fraud being committed against the Council. 77 cases of fraud had been detected.

During 2015 responsibility for investigating Housing Benefit fraud will be transferred to the Department of Work and Pensions. Gloucestershire councils are discussing setting up a Gloucestershire fraud hub. The Strategic Head (Finance and Business) will update Committee at a future date.

Discussion took place on the self certification on Council Tax bills for single person discount. The Strategic Head (Finance and Business) will look at the wording for future bills. The Audit Manager will look at the current arrangements for claiming single person discount and update Members with a briefing note.

The Chair thanked Matthew Arthur for his report.

The meeting closed at 9.21 pm.

**Chair**