

## AUDIT AND STANDARDS COMMITTEE

20 November 2018

7.05 pm – 8.30 pm

Council Chamber, Ebley Mill, Stroud

# 3

### Minutes

#### Membership

Councillor Nigel Studdert-Kennedy (Chair)	A	Councillor Simon Pickering	P
Councillor Skeena Rathor (Vice-Chair)	P	Councillor Mark Reeves	P
Councillor Rachel Curley	P	Councillor Tom Williams	P
Councillor Stephen Davies	P	Councillor Penny Wride	A
Councillor Keith Pearson	A		

A = Absent P = Present

#### Officers in attendance

Head of Finance and Section 151 Officer	Director of Development Services
Group Manager - Audit Risk Assurance	Principal Accountant
Shared Service	Democratic Services Officer
Interim Head of Legal Services and	
Monitoring Officer	

#### Other Member present

Councillor Cornell

#### Also present

Ian Howse, Partner in Deloitte the Council's external auditors

#### **AC.023**

#### **APOLOGIES**

Apologies for absence had been received from Councillors Studdert-Kennedy, Pearson and Wride.

#### **AC.024**

#### **DECLARATIONS OF INTEREST**

There were none.

#### **AC.025**

#### **MINUTES**

#### **RESOLVED**

**That the Minutes of the meeting held on 9 October 2018, are approved as a correct record.**

#### **AC.026**

#### **PUBLIC QUESTION TIME**

There were none.

**AC.027**                      **STANDING ITEMS**

## (a) Work Programme

- 29 January 2019 – ICT management update and Multi Services Contract management update will be items on the agenda and added onto the work programme, also the Annual Summary of Certificate of Grant Claims and Returns 2017/18 will be based on work carried out by KPMG.
- 7 May 2019 - Deloitte will present the External Audit Plan 2018/19.

(b) Risk Management – The Group Manager - Audit Risk Assurance Shared Service confirmed that she would provide members with an update on procurement via email. Councillor Curley had looked at the Corporate Risk Register and the highest risk 16 had not been updated when due in August and asked why. The Head of Finance and Section 151 Officer clarified that there had been updates to Strategy & Resources Committee about the IT Strategy and to Member Groups and there had been Workshops. He also stated that the Head of IT attended Corporate Team last week to discuss and Corporate Team have stressed the importance of updating risks. The Committee were assured that the update would be made to the Register to reflect action taken.

**AC.028**                      **INTRODUCTION OF NEW EXTERNAL AUDITORS**

Ian Howse, a partner in Deloitte, the Council's external auditors, introduced himself and his company to members.

**AC.029**                      **HALF YEAR TREASURY MANAGEMENT ACTIVITY REPORT 2018/19**

The Principal Accountant outlined the above report. Members asked questions regarding the proposed increase from £3m to £10m for future investment into property. Members had mixed views on this proposal. The Officer confirmed that property investment in recent years had out performed bank investments. The average long term yield was between 3.5%-4%. Councillor Williams requested information on how the Council's current property portfolio had performed.

The Committee unanimously RESOLVED after proposal by Cllr Davies seconded by Cllr Pickering to RECOMMEND TO COUNCIL:

- (a) To approve the treasury management activity half year report for 2018/2019, and RESOLVED by 3 votes to 2 with 1 abstention after proposal by Cllr Pickering seconded by Cllr Reeves**
- (b) To approve the proposal to increase the limit for investment in property funds to £10m set out in paragraph 15**

**AC.030**                      **INTERNAL AUDIT ACTIVITY PROGRESS REPORT 2018/19**

The Group Manager - Audit Risk Assurance Shared Service outlined the above report and explained that savings to the Council's insurance premium had been achieved by effective cross-Council consultancy working across 6 Councils led by an insurance specialist which made technical challenge and managed the tender, achieving 42%

savings overall on the insurance programme, achieved £250,000 savings and a 90% reduction in excess partly attributable to Stroud District Council being able to provide assurance that insurable risk was well managed .

The audit on the workforce plan was confirmed as still in progress (position statement provided to the October 18 Committee meeting), with the outcomes to be reported to a future meeting. Councillor Davies requested that a time line was added to the data in the summary. Clarification was also given regarding the two procurement items discussed at the last meeting.

Committee unanimously RESOLVED after proposal by Cllr Curley seconded by Cllr Pickering:

- (a) To accept the progress against the Internal Audit Plan 2018/19; and**
- (b) To accept the assurance opinions provided in relation to the effectiveness of the Council's control environment comprising risk management, control and governance arrangements as a result of the Internal Audit activity completed to date.**

#### **AC.031      MEMBERS' QUESTIONS**

There were none.

The meeting closed at 8.30 pm.

Chair