

**Audit and Governance Committee**

**\*\* Members are asked to attend a private training session on Treasury Management at 6pm in the Civic Suite immediately before the meeting \*\***

**Meeting: Thursday, 26th June 2014 at 6.45 pm in Civic Suite, North Warehouse, The Docks, Gloucester, GL1 2EP**

<b>Membership:</b>	Cllrs. Wilson (Chair), Hobbs (Vice-Chair), Llewellyn, Noakes, Haigh, McLellan and Taylor
<b>Contact:</b>	Parvati Diyar Democratic Services Officer 01452 396192 <a href="mailto:parvati.diyar@gloucester.gov.uk">parvati.diyar@gloucester.gov.uk</a>

**AGENDA**

<b>1.</b>	<b>APPOINTMENT OF CHAIR AND VICE-CHAIR</b>  To note the appointments made by Council at the Annual Meeting:-  Chair – Councillor Wilson Vice Chair – Councillor Hobbs
<b>2.</b>	<b>APOLOGIES</b>  To receive any apologies for absence.
<b>3.</b>	<b>DECLARATIONS OF INTEREST</b>  To receive from Members, declarations of the existence of any disclosable pecuniary, or non-pecuniary, interests and the nature of those interests in relation to any agenda item. Please see Agenda Notes.
<b>4.</b>	<b>MINUTES (Pages 7 - 16)</b>  To approve as a correct record the minutes of the meeting held on 17 March 2014.
<b>5.</b>	<b>PUBLIC QUESTION TIME (15 MINUTES)</b>  To receive any questions from members of the public provided that a question does not relate to:

	<ul style="list-style-type: none"> <li>• Matters which are the subject of current or pending legal proceedings, or</li> <li>• Matters relating to employees or former employees of the Council or comments in respect of individual Council Officers</li> </ul>
<b>6.</b>	<p><b>PETITIONS AND DEPUTATIONS (15 MINUTES)</b></p> <p>To receive any petitions and deputations provided that no such petition is in relation to:</p> <ul style="list-style-type: none"> <li>• Matters relating to individual Council Officers, or</li> <li>• Matters relating to current or pending legal proceedings</li> </ul>
<b>7.</b>	<p><b>UPDATE ON COMBINED HEAT AND POWER INSTALLATION AT GL1</b> (Pages 17 - 18)</p> <p>To receive an update from the Asset Manager, as requested by the Committee, relating to the combined heat and power installation at GL1.</p>
<b>8.</b>	<p><b>AUDIT AND GOVERNANCE COMMITTEE ACTION PLAN</b> (Pages 19 - 20)</p> <p>To consider the Action Plan.</p>
<b>9.</b>	<p><b>KPMG INTERIM AUDIT REPORT 2013/14</b> (Pages 21 - 36)</p> <p>To receive the report from KPMG relating to the Interim Audit Report 2013/14.</p>
<b>10.</b>	<p><b>KPMG ANNUAL AUDIT FEE LETTER 2014/15</b> (Pages 37 - 42)</p> <p>To receive the report from KPMG relating to the Annual Audit Fee Letter 2014/15.</p>
<b>11.</b>	<p><b>KPMG PROTECTING THE PUBLIC PURSE FRAUD BRIEFING 2013</b> (Pages 43 - 60)</p> <p>To receive the report from KPMG relating to the Fraud Briefing 2013.</p>
<b>12.</b>	<p><b>KPMG EXTERNAL AUDIT PROGRESS REPORT AND TECHNICAL UPDATE</b> (Pages 61 - 76)</p> <p>To receive the report from KPMG on the audit progress report and technical update.</p>
<b>13.</b>	<p><b>INTERNAL AUDIT PLAN 2013/14 - MONITORING REPORT</b> (Pages 77 - 90)</p> <p>To receive the report of the Audit, Risk and Assurance Manager informing Members of the remaining audits completed as part of the approved Internal Audit Plan 2013/14.</p>
<b>14.</b>	<p><b>AUDIT, RISK AND ASSURANCE MANAGER'S ANNUAL REPORT 2013/14</b> (Pages 91 - 102)</p> <p>To receive the report of the Audit, Risk and Assurance Manager which provides Members with a brief overview of Internal Audit work for the financial year ending 31 March 2014.</p>

15.	<p><b>REVIEW OF EFFECTIVENESS OF INTERNAL AUDIT</b> (Pages 103 - 114)</p> <p>To receive the report of the Audit, Risk and Assurance Manager informing Members of the outcome of the review of the effectiveness of Internal Audit as required under the Accounts and Audit (England) Regulations 2011.</p>
16.	<p><b>TREASURY MANAGEMENT UPDATE - QUARTER 4 REPORT 2013/14</b> (Pages 115 - 132)</p> <p>To receive the report of the Corporate Director of Resources concerning an update on treasury management activities for Quarter 4, covering the period 1 December 2013 to 31 March 2014.</p>
17.	<p><b>ANNUAL GOVERNANCE STATEMENT</b> (Pages 133 - 152)</p> <p>To receive the report of the Corporate Director of Resources on the requirement to prepare and obtain approval on the Annual Governance Statement 2013/14.</p>
18.	<p><b>AUDIT &amp; GOVERNANCE COMMITTEE ANNUAL REPORT 2013/14</b> (Pages 153 - 162)</p> <p>To receive the Annual Report of the Audit and Governance Committee which sets out the work and achievements during 2013/14.</p>
19.	<p><b>INDEPENDENT PERSON PROTOCOL</b> (Pages 163 - 170)</p> <p>To receive the report of the Monitoring Officer considering the adoption of a protocol in relation to the Independent Person.</p>
20.	<p><b>COMMITTEE WORK PROGRAMME</b> (Pages 171 - 174)</p> <p>To consider the Committee's Work Programme.</p>
21.	<p><b>DATE OF NEXT MEETING</b></p> <p>Monday, 8 September 2014 at 6.30pm.</p>



.....  
**Peter Gillett**  
**Corporate Director of Resources**

**Date of Publication: Wednesday, 18 June 2014**

## NOTES

### Disclosable Pecuniary Interests

The duties to register, disclose and not to participate in respect of any matter in which a member has a Disclosable Pecuniary Interest are set out in Chapter 7 of the Localism Act 2011.

Disclosable pecuniary interests are defined in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 as follows –

<u>Interest</u>	<u>Prescribed description</u>
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the Council) made or provided within the previous 12 months (up to and including the date of notification of the interest) in respect of any expenses incurred by you carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract which is made between you, your spouse or civil partner or person with whom you are living as a spouse or civil partner (or a body in which you or they have a beneficial interest) and the Council (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged
Land	Any beneficial interest in land which is within the Council's area.  For this purpose "land" includes an easement, servitude, interest or right in or over land which does not carry with it a right for you, your spouse, civil partner or person with whom you are living as a spouse or civil partner (alone or jointly with another) to occupy the land or to receive income.
Licences	Any licence (alone or jointly with others) to occupy land in the Council's area for a month or longer.
Corporate tenancies	Any tenancy where (to your knowledge) – (a) the landlord is the Council; and (b) the tenant is a body in which you, your spouse or civil partner or a person you are living with as a spouse or civil partner has a beneficial interest
Securities	Any beneficial interest in securities of a body where – (a) that body (to your knowledge) has a place of business or land in the Council's area and (b) either – i. The total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or ii. If the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, your spouse or civil partner or person with

whom you are living as a spouse or civil partner has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

For this purpose, “securities” means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

NOTE: the requirements in respect of the registration and disclosure of Disclosable Pecuniary Interests and withdrawing from participating in respect of any matter where you have a Disclosable Pecuniary Interest apply to your interests and those of your spouse or civil partner or person with whom you are living as a spouse or civil partner where you are aware of their interest.

### **Access to Information**

Agendas and reports can be viewed on the Gloucester City Council website: [www.gloucester.gov.uk](http://www.gloucester.gov.uk) and are available to view five working days prior to the meeting date.

For further details and enquiries about this meeting please contact Parvati Diyar, 01452 396192, [parvati.diyar@gloucester.gov.uk](mailto:parvati.diyar@gloucester.gov.uk).

For general enquiries about Gloucester City Council’s meetings please contact Democratic Services, 01452 396126, [democratic.services@gloucester.gov.uk](mailto:democratic.services@gloucester.gov.uk).

If you, or someone you know cannot understand English and need help with this information, or if you would like a large print, Braille, or audio version of this information please call 01452 396396.

### **Recording of meetings**

Please be aware that meetings may be recorded with the Mayor or Chair’s consent and this may include recording of persons seated in the Public Gallery or speaking at the meeting. Please notify a City Council Officer if you have any objections to this practice and the Mayor/Chair will take reasonable steps to ensure that any request not to be recorded is complied with.

Any recording must take place in such a way as to ensure that the view of Councillors, Officers, the Public and Press is not obstructed. The use of flash photography and/or additional lighting will not be allowed unless this has been discussed and agreed in advance of the meeting.

### **FIRE / EMERGENCY EVACUATION PROCEDURE**

If the fire alarm sounds continuously, or if you are instructed to do so, you must leave the building by the nearest available exit. You will be directed to the nearest exit by council staff. It is vital that you follow their instructions:

- You should proceed calmly; do not run and do not use the lifts;
- Do not stop to collect personal belongings;
- Once you are outside, please do not wait immediately next to the building; gather at the assembly point in the car park and await further instructions;
- Do not re-enter the building until told by a member of staff or the fire brigade that it is safe to do so.