



AUDIT AND GOVERNANCE COMMITTEE

MEETING : Monday, 19th November 2018

PRESENT : Cllrs. Gravells (Chair), Melvin (Vice-Chair), Brooker, D. Norman, Smith, Stephens and Wilson

Others in Attendance

Councillor Organ, Cabinet Member for Environment
Corporate Director
Head of Policy and Resources
Head of Communities
Private Sector Housing Team Leader
Group Manager, Audit Risk Assurance (ARA)
Democratic and Electoral Services Officer

APOLOGIES :

30. DECLARATIONS OF INTEREST

30.1 There were no declarations of interest.

31. MINUTES

31.1 The minutes of the meeting on held on the 17th September 2018 were approved and signed by the Chair as a correct record.

32. PUBLIC QUESTION TIME (15 MINUTES)

32.1 There were no public questions.

33. PETITIONS AND DEPUTATIONS (15 MINUTES)

33.1 There were no petitions or deputations.

34. AUDIT AND GOVERNANCE COMMITTEE ACTION PLAN

34.1 The Committee noted the Action Plan.

35. INTERNAL AUDIT PROGRESS REPORT 2018/19

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- 35.1 The Committee considered the report on Internal Audit Progress for 2018/19. The Group Manager ARA informed the Committee that all three of the internal audits that were finalised between September and October had resulted in findings of satisfactory risk assurance.
- 35.2 In relation to the Audit Activity regarding the Disabled Facilities Grant, Councillor Stephens' asked for an explanation for the DFG underspend. Councillor Wilson queried how the audit could be satisfactory despite the significant underspend.
- 35.3 In response, the ARA Group Manager confirmed that the internal audit scope was specific to whether the DFG process in place at the Council was compliant with legislation and had been satisfied based on audit review and testing that it was. The Head of Communities stated that the Private Sector Housing team was reviewing how it dealt with DFG and how public awareness could be raised. He confirmed that the outcomes could be reported back to the Committee towards the end of the financial year. It was reported that DFG funding had increased in the past years as part of the Better Care Fund and collaboration with the NHS. As in other areas of the County any unallocated DFG was redeployed through the Better Care Fund. It was also noted that a percentage of applicants do not meet the necessary criteria to receive the DFG.
- 35.4 In response to a question about responsibilities and accountability the Head of Communities explained that the County Council's Occupational Therapist team make recommendation about appropriate adaptations and the City Council's Private Sector Housing Team then determine whether a DFG can be awarded, so accountability lies with both the County and City Council. He agreed to supply the Committee with details of the total number of DFG applications over the previous 24 months, the statutory timescale and the time taken to process the applications.
- 35.5 In relation to the Audit of Great Place Funding, Councillor Stephens was advised that further funding for Strand 4 (Destination Marketing) had been suspended, as per the Audit Recommendation, pending further clarity about the funding and financial arrangements for that Strand.
- 35.6 In response to a question about matched funding, the Corporate Director replied that funding came from a variety of different sources, including the NHS, Art Council England and other heritage partners and the private sector. Details of where and how the funding was applied and outcomes were regularly reported by the Culture Trust.
- 35.7 It was noted that Councillor Lise Noakes had stepped down as Chair of the Trust and had been replaced by another trustee, Anne Cranston.
- 35.8 **RESOLVED:-**
(1) The Committee accept the progress made against the Internal Audit Plan 2018/19;
(2) The Committee accept the assurance opinions provided in relation to the effectiveness of the Council's control environment comprising of risk

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management, control and governance arrangements as a result of the Internal Audit activity completed to date;

(3) A management update report in relation to DFG be added to the Committee's Work Programme

(4) That the number of DFG applications in respect of 2016/17, 2017/18 and 2018/19 (to date) be made available to the Committee.

36. STRATEGIC RISK REGISTER UPDATE

36.1 The Committee considered the report of the Head of Audit Risk Assurance. The Group Manager of Audit Risk Assurance provided an overview of the report, she drew Members attention to the fact the Risk Register is continuously changing therefore the report represents a point in time. She stated that the main changes were detailed in 3.11 of the report.

36.2 **RESOLVED:-** That the Audit and Governance Committee recommend that the Strategic Risk Register be noted and endorsed.

37. THE CONFIDENTIAL REPORTING PROCEDURE (WHISTLEBLOWING POLICY)

37.1 The Group Manager ARA provided an overview of the Confidential Reporting Procedure, she explained that the updated Confidential Reporting Procedure was now a stand alone document with the goal to raise the profile of the Council's whistleblowing procedure.

37.2 Councillor Wilson was given an assurance by the Corporate Director that the wording on the front of the policy would be reviewed to avoid any concern that it could be changed or dispensed with arbitrarily. He was also assured that any potential confusion about approached to external bodies would be reviewed and clarified.

37.3 **RESOLVED:-**

(1) The Audit and Governance Committee approve the Confidential Reporting Procedure (Whistleblowing) and recommend Cabinet endorse the Procedure;

(2) The Audit and Governance Committee agree that the Procedure, once endorsed by Cabinet, is implemented and disseminated to managers with immediate effect.

38. TREASURY MANAGEMENT PERFORMANCE 2018/19 - SIX MONTHLY UPDATE

38.1 The Audit and Governance Committee considered the Treasury Management Performance update.

38.2 Councillor Wilson was advised that the IFRS9 would not affect the Council for another five years.

38.3 **RESOLVED:-** That the Audit and Governance Committee note the Treasury Management Performance update.

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39. AUDIT AND GOVERNANCE COMMITTEE WORK PROGRAMME

39.1 The Committee considered the Work Programme.

39.2 **RESOLVED:-** That the Audit and Governance Committee note the Work Programme.

40. DATE OF NEXT MEETING

40.1 21st January 2019 at 6:30pm in the Civic Suite, North Warehouse.

41. EXCLUSION OF THE PRESS AND PUBLIC

41.1 **RESOLVED:-** That the press and public be excluded from the meeting during the following items of business on the grounds that it is likely, in view of the nature of business to be transacted or the nature of proceedings, that if members of the press and public are present during the consideration of the item there will be disclosure to them of exempt information as defined in Paragraph 3 of Schedule 12A of the Local Government Act 1972 as amended.

42. AMEY STREET CARE CONTRACT UPDATE

42.1 The Corporate Director provided the Committee with a verbal update.

Time of commencement: 6.30 pm

Time of conclusion: 8.00 pm

Chair