



## **AUDIT AND GOVERNANCE COMMITTEE**

**MEETING** : Thursday, 13th November 2014

**PRESENT** : Cllrs. Wilson (Chair), Hobbs (Vice-Chair), Noakes, Haigh, McLellan, Taylor and Norman

### **Others in Attendance**

Jon Topping, Head of Finance

Sue Mullins, Head of Legal and Policy Development

Terry Rodway, Audit, Risk and Assurance Manager

Stephanie Payne, Audit, Risk Management and Value for Money Officer

Andrew Cummings, Management Accountant

Darren Gilbert, KPMG LLP

Tony Wisdom, Democratic Services Officer

**APOLOGIES** : Cllrs. Llewellyn

### **38. DECLARATIONS OF INTEREST**

Councillor Taylor declared a prejudicial interest in agenda item 7, Annual Governance Statement Action Plan 2014-15, as a Director of Gloucestershire Airport Ltd and left the meeting during the consideration of that item.

### **39. MINUTES**

The minutes of the meeting held on 8 September 2014 were approved and signed by the Chair as a correct record.

### **40. PUBLIC QUESTION TIME**

There were no questions from members of the public.

### **41. PETITIONS AND DEPUTATIONS**

There were no petitions or deputations.

### **42. AUDIT AND GOVERNANCE COMMITTEE ACTION PLAN**

The Committee considered the Audit and Governance Committee Action Plan.

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Councillor Noakes noted that the reference to Minute 6 of the meeting on 26 June 2014 required further information to make sense.

The Chair was advised that in reference to Minute 32, Internal Audit Plan and the Docks Catering Service, the requested Follow - Up audit to ensure all agreed recommendations had been implemented had been put on hold as the service was now part of the Regeneration Service Review which would be reported to Organisational Development Committee later in November and the implementation of the actions would be dependent on the outcome of that review.

**RESOLVED that the Audit and Governance Committee Action Plan be noted.**

**43. ANNUAL GOVERNANCE STATEMENT ACTION PLAN 2014-15 UPDATE**

Councillor Taylor having declared a prejudicial interest as a Director of Gloucestershire Airport Ltd left the meeting for the consideration of this item.

The Head of Finance provided an oral update on the Annual Governance Statement Action Plan which included governance arrangements for Gloucestershire Airport Ltd.

The Head of Legal and Policy Development advised that an exempt report would be presented to Council on 20<sup>th</sup> November that detailed progress on the implementation of the governance arrangements for Gloucestershire Airport Ltd previously approved by the Council.

She confirmed that it was not considered appropriate for the Councillors who were Airport Board members to see the report at this stage. When the report had been approved by Council a copy would be sent to Gloucestershire Airport Ltd.

**RESOLVED that the report be noted.**

**44. PEER REVIEW ACTION PLAN**

The Committee considered the Peer Review Action Plan. Members expressed concern at the method of application of the RAG (red, amber, green) system.

They called for the report to be reviewed, closed matters to coloured blue and target dates incorporated.

Councillor Haigh enquired about the purpose of the Corporate Director's weekly blog identified in Section 4 of the report. The Head of Finance advised that it contained a personal element while highlighting current issues. It tried to be informative while highlighting activities and key issues of the current week.

The Head of Finance undertook to ensure that the report would be revised to address the Committee's concerns for the next meeting when an appropriate Officer would be in attendance.

**RESOLVED that the Action Plan be noted.**

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**45. GLOUCESTER CITY COUNCIL ANNUAL AUDIT LETTER 2013-14**

The Committee considered the Annual Audit Letter for 2013-14 prepared by KPMG.

The Chair questioned the proposed fee for 2015-16 and Mr Gilbert (KPMG) advised that details of the anticipated fee would be presented with the Audit Plan early in the Financial Year.

**RESOLVED that the Annual Audit Letter 2013-14 be received.**

**46. ANNUAL RISK MANAGEMENT REPORT**

The Audit, Risk Management and Value for Money Officer outlined the report which provided Members with an update on the Council's risk management activities from the past year to date and confirmed future planned actions.

The Chair asked if there was a central log of risk registers. He was advised that a log was currently held, confirming that service registers were in place for the Council's 26 services units. This log will be extended to cover significant partnerships and projects, such as the King's Quarter development and the housing stock transfer, to confirm whether risk management arrangements are in place for these areas and to enable risk management support to be directed to areas of need.

**RESOLVED that the risk management arrangements in place for the past year be endorsed and the proposals for future development be noted.**

**47. REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA) - ANNUAL REVIEW OF PROCEDURAL GUIDE**

The Head of Legal and Policy Development introduced the report which reviewed and updated the Council's procedural guidance on the Regulation of Investigatory Powers Act 2000 together with minor amendments to the list of Authorised Officers.

The Chair noted that authorisations for direct surveillance were now restricted to offences that would carry a minimum prison term of six months and most offences prosecuted by local authorities did not carry custodial sentences.

**RESOLVED that the proposed changes to the Council's Regulation of Investigatory Powers be noted.**

**48. TREASURY MANAGEMENT UPDATE QUARTER 2 REPORT 2014-15**

The Management Accountant introduced the report which provided Members with an update on treasury management activities for Quarter 2, 1 July – 30 September 2014.

He confirmed that the wording of Appendix 4 had been supplied by Capita.

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**RESOLVED** that the report be noted and that no changes are required to the prudential indicators.

**49. AUDIT AND GOVERNANCE COMMITTEE WORK PROGRAMME**

The Committee considered the Audit and Governance Committee Work Programme 2014-15.

The Chair was advised that the Whistleblowing Policy and Anti-fraud and Corruption Strategy would be included on the March 2015 meeting agenda.

**RESOLVED** that the Work programme be noted.

**50. EXCLUSION OF PRESS AND PUBLIC**

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

<b>Agenda Item No.</b>	<b>Description of Exempt Information</b>
15	Paragraph 3: Information relating to the financial or business affairs of any particular person (including the Authority holding that information).  Paragraph 7: Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

**51. UPDATE ON COUNCIL IT SYSTEM ISSUES**

The Committee considered the exempt report of the Senior Information Risk Officer which provided an update on Council Information Technology systems issues.

**RESOLVED** that the report be noted.

**52. DATE OF NEXT MEETING**

Monday, 19 January 2015 at 6.30pm.

**Time of commencement: 18:30 hours**

**Time of conclusion: 19:45 hours**

**Chair**