GOVERNANCE AND AUDIT COMMITTEE

Date: 23 November 2015
Venue: East Northamptonshire House, Cedar Drive, Thrapston
Time: 7.30pm
Present: Councillors: Colin Wright (Chairman)
         Peter Wathen (Vice-Chairman)
         Barbara Jenney
         Lance Jones
         Robin Underwood

Councillor Dorothy Maxwell attended as an observer.

External attendees:
Nicola Scott (Audit Manager, Welland Internal Audit Consortium)

236. MINUTES
The minutes of the meeting held on 28 September 2015 were approved and signed by the Chairman.

237. APOLOGIES FOR ABSENCE
Apologies for absence were received from Councillors John Farrar and Alex Smith; John Gorrie and Yola Geen (KPMG, the Council’s External Auditors)

238. DECLARATIONS OF INTEREST
No declarations of interest were made.

239. QUESTIONS UNDER COUNCIL PROCEDURE RULE 10.3
No questions were submitted under Procedure Rule 10.3.

240. AGENDA ORDER
With the consent of the Committee, the Chairman varied the order of the published Agenda.

241. ANNUAL AUDIT LETTER 2014/15
The Chief Finance Officer presented a report on behalf of the Council’s External Auditors who had submitted their Annual Audit Letter to the Council setting out the key findings of the 2014/15 audit.
The External Auditors (KPMG) had issued an unqualified value for money conclusion and an unqualified opinion of the financial statements on 30 September 2015 as the External Auditors were of the opinion that the financial statements gave a true and fair view of the financial position of the Authority and of its expenditure and income for the year.

A review of the Annual Governance Statement had concluded that it was consistent with External Audit’s understanding. The reduction in external audit fees for 2014/15 from those incurred for the year 2013/14 was noted.

**RESOLVED:**

That the Annual Audit Letter be noted.

*(Reason: To ensure Members and key stakeholders are made aware of the findings of the 2014/15 External Audit)*

**242. WELLAND INTERNAL AUDIT CONSORTIUM – INTERNAL AUDIT PROGRESS AND PERFORMANCE UPDATE 2015/16**

On behalf of the Head of Internal Audit, the Audit Manager provided Members with information on the progress made by the Consortium on the delivery of the Annual Internal Audit Plan for 2015/16 and associated measures of performance.

Since the report had been prepared, further work had been carried out and five reports had now been finalised; two draft reports had been written; fieldwork had been completed for two assignments and commenced for a further assignment.

The final report had been issued on the IT Service Desk, software licensing and asset management assignment. This contained recommendations relating to software licence usage and an update on actions taken in response to these recommendations would be reported through future update reports.

In response to Members’ questions, the Finance Manager would arrange for data to be provided to the Committee members regarding the Council’s performance against its recycling targets.

**RESOLVED:**

That the progress and performance of the Consortium be noted.

*(Reason: To demonstrate that the Committee is discharging its responsibilities in conformance with the Public Sector Internal Audit Standards).*

**243. RISK MANAGEMENT UPDATE – NOVEMBER 2015**

The Finance Manager provided the Committee with an update on the Council’s current risk scores at 30 November 2015.

It was noted that the risk scores for “Loss due to major court cases” had been revised due to changed circumstances relating to a case involving issues at a national level. ENC was one of a number of Authorities involved in the case and the Finance Manager would liaise with the Council’s Monitoring Officer to provide Committee members with information about the case concerned and the risks involved.
RESOLVED:

That the current status of risks included in the report for November 2015 be noted.

(Reason: To ensure the Council has an up to date and effective risk reporting process in place)

244. RESOURCES AND ORGANISATIONAL DEVELOPMENT RISK OVERVIEW

The Council’s Head of Resources and Organisational Development (ROD), Katy Everitt, attended for this item and circulated a presentation setting out the functions carried out in the service area which covered Amenities; Business Transformation; Corporate Support; Democratic and Electoral Services & Human Resources. The Head of ROD also had responsibility for Legal Shared Services and, on an interim basis, Leisure Services.

The presentation also outlined the key risks which had been identified within each of the services and how those risks were mitigated.

On behalf of the Committee, the Chairman thanked the Head of ROD for attending the meeting and for the information provided.

Chairman