

GOVERNANCE AND AUDIT COMMITTEE

Date: 1 February 2016

Venue: East Northamptonshire House, Cedar Drive, Thrapston

Time: 7.30pm

Present: Councillors: Colin Wright (Chairman)
Peter Wathen (Vice-Chairman)
John Farrar Alex Smith
Barbara Jenney Robin Underwood

External attendees:

John Gorrie and Yola Geen (KPMG, the Council's External Auditors)
Nicola Scott (Audit Manager, Welland Internal Audit Consortium)

318. MINUTES

The minutes of the meeting held on 23 November 2015 were approved and signed by the Chairman.

319. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor Jones.

320. DECLARATIONS OF INTEREST

No declarations of interest were made.

321. QUESTIONS UNDER COUNCIL PROCEDURE RULE 10.3

It was reported that no questions were submitted under Procedure Rule 10.3.

322. ENVIRONMENTAL SERVICES RISK OVERVIEW

The Head of Environment Services attended for this item and detailed the functions carried out in the service area which covered:

- Environmental Protection
- Health Protection
- Waste Management
- Corporate Emergency Planning and Business Continuity

He also outlined the key risks which had been identified within each of the services and how those risks were mitigated. Reference was made to the financial implications of the council's waste contract being the biggest risk in this service area and it was noted that work was already underway to commence the procurement process for the new contract by identifying options for future service delivery.

The committee also discussed the financial impact of Disabled Facilities Grants, which was administered within Environmental Services, and noted that inadequate levels of funding from central government only served to increase pressure on the authority's budgets. Discussions also focused on the cost implications of contaminated recycle and flytipping around the district.

On behalf of the Committee, the Chairman thanked the Head of Environmental Services for attending the meeting and asked him to pass on the thanks of the committee to all officers within his service area.

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

The Audit Manager presented a report submitted by the Head of Internal Audit which 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.

It was reported that final reports for ten assignments had been issued by the date of the meeting and a draft report had been issued for a further assignment. It was noted that the Consortium was on target to deliver all of the 230 commissioned days and that progress had been made in the development of the Internal Audit Plan for 2016/17. Members noted that a draft plan would be submitted for review and approval in March 2016.

In reviewing the commentary provided within the report in respect of delivery of the Creditors audit as part of the progress against the 2015/16 Internal Audit Plan, Members indicated their willingness to make the use of purchase orders mandatory before an invoice could be processed. The Chief Finance Officer indicated that he would bring a paper to a future meeting discussing implications in respect of purchase orders for creditor payments.

RESOLVED:

- (i) 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.)

- (ii) That the Chief Finance Officer submit a report to a future meeting detailing the implications of enforcing the use of purchase orders on all creditor activity.

324. GRANT CERTIFICATION 2014-15

Consideration was given to a report which provided an update on the Grant Certification work undertaken by the council's External Auditors, KPMG, in respect of the Housing Benefit Subsidy claim.

It was noted that this work involved reviewing the council's grant submission and associated documentation and records to ensure that they were accurate and sufficient. One error had been identified which had no impact on the amount of subsidy claimed and KPMG issued an unqualified certificate for the grant.

RESOLVED:

That the report be noted.

325. RISK MANAGEMENT UPDATE – NOVEMBER 2015 REVISED

The Finance Manager provided the Committee with a revised update on the Council's current risk scores at 30 November 2015.

It was noted that the way in which information was presented had been amended from previous reports with new columns detailing the previous score and direction of travel for corporate risks and a new area on risks with no actions awaiting completion.

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)

Chairman