

GATESHEAD METROPOLITAN BOROUGH COUNCIL
AUDIT AND STANDARDS COMMITTEE MEETING

Monday 1 February 2016

PRESENT: Councillor B Coates (Chair)
Councillors: P Dillon, J Green, L Green, J McElroy

INDEPENDENT MEMBER J Common

ASC 36 APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of Councillors N Weatherley, J McClurey. Apologies were also received from G Clark and B Jones.

ASC 37 DECLARATIONS OF INTEREST

No interests were declared.

ASC 38 MINUTES

RESOLVED: The minutes of the meeting held on 5 October 2015 were approved as a correct record.

ASC 39 EXTERNAL AUDITOR: ANNUAL AUDIT LETTER 2014/15

The Committee received a report requesting it to note the external auditor's Annual Audit Letter 2014/15. The Annual Audit Letter, which was appended to the report, provided a summary of the external auditor's work in respect of the:

- Statement of Accounts
- Value for Money conclusion
- Future challenges
- Whole of Government Accounts
- Audit regime changes
- Fees

RESOLVED: That the contents of the Annual Audit Letter be noted.

ASC 40 CORPORATE RISK MANAGEMENT 2015/16: QUARTERLY REPORT TO 31 DECEMBER 2015

The Committee received a report detailing the developments in Corporate Risk Management during the period 1 October 2015 to 31 December 2015 (quarter 3).

An Action Plan for the delivery of the Developmental Objectives for 2015/16 was appended to the report. This incorporated details of progress made.

It was reported that activity has mainly focussed on ALARM/CIPFA Risk Management Benchmarking and reviewing the Strategic Risk Register.

Risk 14 on the Strategic Risk Register concerns the potential failure to understand and plan to mitigate the impact of climate change on the Borough. It was queried why no further controls have been proposed to reduce risk in this area, which has been scored RED 8. It was agreed that an update be sought on this query.

The Committee was pleased to note that monitoring will be undertaken in respect of budget decisions, such as reduction in street scene works, which may impact on the Council's ability to withstand severe weather events such as flooding.

RESOLVED: i) That the information be noted.
 ii) That an update be provided to the Committee in respect of potential actions to reduce Risk 14 on the Strategic Risk Register.

ASC 41 ANNUAL GOVERNANCE STATEMENT 2015/16: ASSURANCE FRAMEWORK

The Committee received an overview of the work to be undertaken to produce the Annual Governance Statement (AGS) for 2015/16 which demonstrates the level of assurance that can be given by the Council's control systems and governance arrangements.

A corporate group, chaired by the Strategic Director Corporate Resources, will use the findings of various sources of assurance (as outlined in the report) to form a view on the adequacy of the Council's overall internal control and governance arrangements.

Using evidence from this assessment the Group will prepare the AGS for 2015/16 for approval by the Audit and Standards Committee in June 2016. This will then accompany the Statement of Accounts for 2015/16.

RESOLVED: The assurance framework, as set out in the report, was approved.

ASC 42 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED: That the press and public be excluded from the meeting during consideration of the remaining business in accordance with paragraph 7 of Schedule 12A to the Local Government Act 1972.

ASC 43 INTERNAL AUDIT PLAN 2015/16: QUARTERLY MONITORING REPORT TO 31 DECEMBER 2015

The quarterly monitoring report for the internal audit plan 2015/16 was submitted to the Committee.

The report outlined progress made by the Internal Audit and Risk Service against the audit plan for the financial year 2015/16 and summarised the main findings arising from audit activity throughout the period 1 October 2015 to 31 December 2015.

A total of 17 audit reports were issued during the period and the findings of these were presented to the Committee. The Internal Audit and Risk Service also completed 2 certifications of accounts, grants and school funds during the quarter.

It was requested that, in the future, tables showing the implementation of audit recommendations include a due date.

It was suggested that the 'Percentage Implemented' column be removed to make the information clearer.

- RESOLVED:
- i) That the information be noted.
 - ii) That the presentation of data relating to the implementation of audit recommendations be altered, as requested.

Chair.....