

AUDIT AND GOVERNANCE COMMITTEE

Wednesday 9 March 2016

Present:-

Councillor Vizard (Chair)

Councillors Laws, Baldwin, Buswell, Harvey, Lyons, Raybould, Sheldon, Thompson and Williams

Also Present

Assistant Director Finance, Corporate Manager Legal Services and Monitoring Officer, Service Lead Housing Customers, Housing Customer Relations Lead, Audit Manager (HP), Policy Officer and Democratic Services Officer (Committees) (SLS)

Darren Gilbert – KPMG External Auditors (Minutes 5 – 10)

1 MINUTES

The minutes of the meeting held on 2 December 2015 were taken as read and signed by the Chair as correct.

2 DECLARATION OF INTERESTS

No declarations of discloseable pecuniary interest were made.

3 LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT - EXCLUSION OF PRESS AND PUBLIC

RESOLVED that, under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting for the consideration of the following item on the grounds that it included the likely disclosure of exempt information as defined in paragraph 3, of Part 1 of Schedule 12A of the Act.

4 REVIEW OF CORPORATE GOVERNANCE RISK REGISTER

The report of the Corporate Manager (Policy, Communications and Community Engagement) was presented, which advised the Committee of the City Council's risk management process. Risk Management was an important element of the Council's Code of Corporate Governance. A copy of the updated Corporate Risk Register was attached as an appendix to the report.

The Assistant Director Finance responded to the following Members' comments:-

- the burden of risk in relation to holding a Directorship position of a company was placed on the individual. It was important to ensure that adequate training was in place to ensure that there was also accountability.
- a budget was in place to enable a survey to identify the work required on the Council's multiple car park estate.
- 19 authorities in the south west were members of the Devolution Board, and they had an opportunity to engage with a range of stakeholders. The programme management office is coordinating the work.
- internal corporate procurement was linked to contract management and a report would be made to the Council's Senior Management Team and include a range of findings and recommendations to strengthen significantly the process of procurement in authorities.

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**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT - PART 1: ITEMS
FOR DISCUSSION WITH THE PRESS AND PUBLIC PRESENT
MEMBER COMPLAINTS PROCEDURE UPDATE**

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Darren Gilbert, Director, Public Sector Audit, KPMG, the Council's external auditors, circulated the draft external audit plan for 2015/16, which provided Members with an updated position. He referred to the main area of work which would be completed in four phases from November 2015 to September 2016 and the approach to be taken, following new guidance issued by the National Audit Office for the Value for Money (VFM) audit. The fee for the audit would be £57,887.

The Audit and Governance Committee noted the report.

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INTERNAL AUDIT PROGRESS REPORT

The Audit Manager (HP) advised of the progress of the internal audit work carried out during the period 1 October to 31 December 2015, together with the current status of each area of the annual Audit Plan for review and the outcomes of the review, where completed. A summary of the progress made against the annual Audit Plan, together with the detail of those that had been completed were included in appendix to the report. She referred to the significant improvements required in relation to Procurement, People Management, and Contract Management including Corporate Property Assets. A copy of the full report was available to Members on request.

The Audit Manager advised that there were also two instances where recommendations were not accepted by management during this quarter. An update was provided by the Service Lead Housing Customers and he referred to the first of two recommendations in respect of arrangements relating to Private Sector Leasing. He was pleased to report that recharges in relation to any repairs were now appropriately passed onto the tenant, as officers were now equipped with iPhones and could include a photographic record of the condition of the property. Similarly, in addressing recommendation 2, colleagues were now able to use their iPhones to make a photographic record of the condition of the property before the new tenant took possession of the property. The photographic evidence could be emailed to the tenant as part of the inventory agreement. The Assistant Director Finance confirmed that a draft set of financial regulations would be put before Members prior to the Council meeting in July, and would put into context, the contract regulations.

RESOLVED that:

- (1) the Internal Progress Report for the third quarter of the year 2015/16 be noted; and
- (2) following an update by the Service Lead Housing Customers, the Audit and Governance Committee noted that the recommendations as detailed in section 8.2.1 were now agreed.

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CODE OF CORPORATE GOVERNANCE 2016/17

The Assistant Director Finance presented the report which set out the proposed updated Code of Corporate Governance. The City Council was required to prepare and publish an Annual Governance Statement by Regulation 4 of the Accounts and Audit (England) Regulations 2011. This included a report on the Council's performance against the Code of Corporate Governance and, in doing so, met the requirement for an annual update, to ensure that the Annual Governance Statement was accurate and meaningful. There were no significant changes to the updated Code which was attached as an appendix to the report.

The Audit and Governance Committee supported and requested Council approval of the updated Code of Corporate Governance for 2016/17.

(The meeting commenced at 5.30 pm and closed at 6.25 pm)

Chair