

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

Minutes of a meeting of the Corporate Governance Committee held on
Friday, 21 March 2014 at 9.00 a.m.

PRESENT:	Councillor Francis Burkitt – Chairman Councillor David McCraith – Vice-Chairman	
Councillors:	Richard Barrett Douglas de Lacey Peter Topping	Andrew Fraser Bridget Smith John Williams
Officers:	Patrick Adams Alex Colyer John Garnham Fiona McMillan	Senior Democratic Services Officer Executive Director, Corporate Services Head of Finance, Policy & Performance Legal & Democratic Services Manager and Monitoring Officer
External:	Rachel Brittain Steve Crabtree Magen Powell	Ernst & Young Shared Head of Internal Audit Senior Internal Auditor

Councillor David Whiteman-Downes was in attendance, by invitation.

28. DECLARATIONS OF INTEREST

None.

29. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 28 November 2013 were agreed as a correct record, subject to the inclusion of the word “no” in the last sentence of Minute 24 before the word “concerns”.

30. INTERNAL AUDIT PROGRESS REPORT 2013-14

The Chairman welcomed Magen Powell, Senior Internal Auditor, to her first meeting of the Committee.

Steve Crabtree, Shared Head of Internal Audit, introduced the report, which updated the Committee on the progress made against the delivery of the 2013/14 Internal Audit Plan.

Efficiency savings

Steve Crabtree reported that he was impressed with the arrangements that the Council had in place and expressed his gratitude regarding the co-operation he had received from officers. However, he stated that there were areas where controls could be made more efficient. This approach of reducing the resources used on inefficient controls was supported by the Committee.

ICT

Steve Crabtree reported that the ICT (Change Control) review had been carried out by the previous internal auditors, however this area would be audited in 2014/15. It was hoped that a forthcoming upgrade of the website would address existing concerns.

Responding to queries

It was noted that an officer group had been set up in order to improve the process by which responses were provided by the Council to both internal and external enquiries.

The Committee **NOTED** the report.

31. INTERNAL AUDIT PLAN FOR 2014-15

Steve Crabtree introduced the Internal Audit Annual Plan and Strategy for 2014/15, which had been reviewed by Executive Management Team (EMT) and shared with External Audit. It was understood that the Plan had not been circulated to all members of the Committee following the meeting of EMT on 26 February 2014 as had been hoped.

Covering leave

Steve Crabtree assured the Committee that the estimated number of days' leave, bank holidays and sickness taken by internal auditors was based on the experience of Cambridge City Council and Peterborough Council. It was noted that the Shared Service arrangements provided the possibility of cover in the event of any unexpected absences.

Corporate Governance

It was noted that the Plan allocated three audit days for a review of the effectiveness of the Corporate Governance Committee. A self-assessment checklist provided by CIPFA would be used as part of this assessment, which was expected to be carried out in the summer of 2014.

Implementing the auditors' actions

Steve Crabtree explained that a 90% target for the implementation of auditors' actions by management allowed the Council the flexibility to implement alternative solutions, should the situation change. He assured the Committee that a 100% target would be unrealistic and that any alternative actions would be scrutinised.

Refuse and recycling

In response to the suggestion that auditors could have identified the efficiency savings to rounds made by the Council's refuse and recycling service the Executive Director stated that this service was audited every two years.

The Corporate Governance Committee

ENDORSED

- A)** The Strategic Audit Plan and the Annual Plan 2014/2015
- B)** The Internal Audit Charter
- C)** The Internal Audit Code of Ethics
- D)** The services' performance indicators

32. EXTERNAL AUDIT: 2012/13 ANNUAL GRANT CERTIFICATION REPORT

Rachel Brittain introduced this report which summarised the results of External Audit's work on the Council's claims for 2012/13. The figure for the Council's indicative certification fee for 2013/14 on page 51 was amended to £15,600. Copies of the amended report would be available to members of the Committee on request.

Housing and Council Tax Subsidy Benefit certification fee

Rachel Brittain reported that three errors had been found in four samples in the above audit and due to the rules of the Department of Work and Pensions this had resulted in an audit of 40 cases and an additional audit fee of £8,560. The Executive Director stated that he was satisfied with the explanation for these errors and explained that the rarity of the need for re-inspections reflected well on the Council in comparison to other authorities.

The Committee **NOTED** the report.

33. EXTERNAL AUDIT: AUDIT PLAN 2013-14

Rachel Brittain presented External Audit's Audit Plan for 2013/14, which provided the Committee with a basis to review the proposed audit approach and scope for the 2014 audit. She summarised External Audit's assessment of the key risks facing the Council.

It was noted that South Cambs Ltd would be audited along with the rest of the Council.

The Committee **NOTED** the report.

34. EXTERNAL AUDIT: COUNCIL'S FRAUD BRIEFING

The Committee **NOTED** the briefing.

35. EXTERNAL AUDIT: LOCAL GOVERNMENT SECTOR UPDATE

The Committee **NOTED** the update.

36. RISK MANAGEMENT STRATEGY

The Head of Finance, Policy and Performance presented this report, which invited the Committee to carry out its annual review of the Risk Management Strategy and agree any changes considered necessary. He explained that the Strategic Risk Register was regularly discussed by EMT

The Corporate Governance Committee unanimously

AGREED the proposed Risk Management Strategy, as set out in Appendix B of the report.

It was noted that the agreed Risk Management Strategy would be reported to Council.

37. REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA) REVIEW OF POLICY AND USE OF POWER ACT

The Head of Legal and Democratic Services reported that the Council had not needed to use the Regulation of Investigatory Powers Act in the last quarter.

38. MATTERS OF TOPICAL INTEREST

The document "Local Government Governance Review 2014: Working in Tandem" was circulated at the meeting.

39. DATE OF NEXT MEETING

The Committee **NOTED** that the Committee would meet on the following dates:

- 27 June 2014 at 9am
- 26 September 2014 at 9am

It was noted the Committee would only meet on Thursday 27 November at 10am if there was sufficient business.

The Meeting ended at 10.15 a.m.
