

Time Commenced: 6.00pm
Time Finished: 7.40pm

AUDIT AND ACCOUNTS COMMITTEE
23 March 2016

Present: Councillor Hezelgrave (Chair)
Councillors Ashburner, Grimadell, Harwood, and Martin

In attendance
Helen Henshaw and Steve Clark – Ernst Young
Janie Berry – Director of Governance and Monitoring Officer
Richard Boneham – Head of Governance and Assurance
Martyn Marples – Director of Finance
Mark Nash – Group Accountant (Corporate)
Gemma Hadfield – Principal Accountant (Corporate)
Christine Durrant – Acting Strategic Director of Communities and Place

52/15 Apologies for Absence

Apologies for absence were received from Councillors Nawaz and Turner.

53/15 Late Items

There were no late items.

54/15 Declarations of Interest

There were no declarations of Interest.

55/15 Minutes

The minutes of the meeting held on 27 January 2016 were agreed as a correct record.

Minute no 43/15 - The Strategic Director of Communities and Place gave an update on the latest position with the fire at the Assembly Rooms and what had happened to the furniture and equipment. An inventory had been drawn up of surplus furniture and equipment that could be made available to charities. It was hoped that by July 2016 the Council would be in a position whereby the furniture and equipment had been distributed.

Minute no 45/15 – The Committee reminded the Director of Finance to provide Members of the Committee with the information requested in resolution 2 of minute no 45/15. The Director of Finance reported that he had e mailed all Chief Officers with an instruction from the Committee that staff should be encouraged to take waivers to Council Cabinet for approval rather than them being classes as urgent.

Minute no 51/15 – The Monitoring Officer reported that she would give an update in the confidential part of the meeting.

56/15 Central Midlands Audit Partnership

Councillor Harwood reported that Amber Valley Borough Council had joined the Partnership and the agreement had been signed by all Members.

Resolved to note the report.

57/15 External Audit – Audit Plan 2016/17

The Committee considered a report from Ernst Young the Council's external auditors which set out the audit plan for the financial year 2016/17

Resolved to note the report.

58/15 Accounting Policies 2015/16 and Accounts and Audit Regulations 2015

The Committee considered a report which set out proposed changes to the Council's Accounting Policies for 2015/16.

Resolved

- 1. To approve the 2015/16 Accounting Policies outlined in Appendix 2 including the adoption of International Financial Reporting Standards (IFRS) 13 Fair Value Measurement.**
- 2. To note changes contained within the Accounts and Audit Regulations 2015.**

59/15 Internal Audit – Audit Plan 2016/17

The Committee considered a report which stated that the Public Sector Internal Audit Standards stated that annually the Head of Audit was responsible for developing a risk-based plan.

A fundamental role of Internal Audit was to provide members and senior management with independent assurance on the Derby City Council's overall control environment, comprising the systems of governance, risk management, and internal control and to highlight control weaknesses together with recommendations for improvement. The annual Audit Plan set out proposals on how this would be achieved in the year ahead.

The Audit Plan must incorporate sufficient work to enable the Head of Audit to give an opinion on the adequacy of the Derby City Council's overall control environment. Internal Audit must therefore have sufficient resources to deliver the Audit Plan.

The audit work planned for 2016/17 would inform the Head of Audit's opinion on the internal control environment that existed within Derby City Council. The Head of Audit reports his overall opinion to the Audit and Accounts Committee on an annual basis.

The report provided Committee with an opportunity to challenge and approve the planned work of the Internal Audit service. As well as satisfying themselves that the methodology and arrangements for preparing the annual Audit Plan were robust.

Resolved to approve the 2016/17 internal audit plan.

60/15 Update on Anti Fraud Activities

The Committee considered a report which provided an update on the anti-fraud activities being undertaken within the Council.

Resolved to note the actions and the progress being made on the clearance of National Fraud Initiative matches and associated anti-fraud activities.

61/15 National Developments in Information Governance - Briefing

The Committee considered a report which provided a briefing in the key developments nationally that would have a future impact on the Council's information governance framework.

Resolved to note the report.

62/15 Exclusion of Press and Public

To consider a resolution to exclude the press and public during consideration of the following item

“that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion of the following items on the grounds that they involved the likely disclosure of exempt information as defined in paragraphs 2 and 3 of Part 1 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information”.

63/15 Risk Based Verification Policy

The Committee considered a report which set out proposed changes to the Council's Risk Based Verification Policy to take effect from 1 April 2016.

Resolved to approve the Council's revised Risk Based Verification policy.

64/15 Investigation - School

In respect of Minute no 51/15 – The Monitoring Officer reported that she had met with representatives of People Services who had given assurances that appropriate action had been taken by the school on the recommendations made by the Independent Investigating Officer and that adequate controls were in place within all City Council schools, to prevent similar incidents happening.

Resolved to note the update.

Minutes End