

STANDARDS AND AUDIT COMMITTEE

Friday, 25th September, 2015

Present:-

Councillor Rayner (Chair)

Councillors A Diouf
Derbyshire

Councillors Barnett

*Matters dealt with under the Delegation Scheme

13 **DECLARATIONS OF MEMBERS' AND OFFICERS' INTERESTS
RELATING TO ITEMS ON THE AGENDA**

No declarations of interest were received.

14 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Caulfield, Sarvent and Tidd.

15 **MINUTES**

RESOLVED –

That the Minutes of the Standards and Audit Committee meeting held on 22 July, 2015 be approved as a true record.

16 **AUDIT REPORT ON THE 2014/15 STATEMENT OF ACCOUNTS**

The Chief Finance Officer submitted a report on the Statement of Accounts 2014/15, the 'Letter of Representation' and the External Auditor's Annual Audit Report.

The Council's auditors were required to obtain written representations from management in respect of various matters relating to the accounts in the form of a letter of representation.

Mr Lee Towers of KPMG attended the meeting to present the External Auditor's 'Report to those Charged with Governance'.

Each year the appointed Auditor was required to 'communicate audit matters to those charged with governance'. Standards and Audit Committee had been delegated the responsibility to receive and consider this.

The report concluded that no adjustments to be made to the accounts following the audit, above the reporting threshold, had been identified; only minor presentational changes had been agreed. The report also included the Audit Opinion and Value For Money (VFM) conclusion. The key risk in the VFM conclusion that was highlighted was the importance of the delivery of identified savings.

The Committee expressed its thanks to the staff in the finance team for their consistent hard work and achieving good results with the production of the Council's accounts.

***RESOLVED –**

- (1) That the Statement of Accounts for 2014/15 be approved.
- (2) That the Management Letter of Representation be approved.
- (3) That the Report to those Charged with Governance be noted.

17 SUMMARY OF INTERNAL AUDIT REPORTS ISSUED

The Interim Head of Internal Audit Consortium submitted a report summarising the Internal Audit reports issued for the period 6 June to 28 August, 2015 in respect of reports relating to the 2015/16 internal audit plan.

Pursuant to Minute No. 5 (2015/16), the Local Government and Regulatory Law Manager outlined the progress that had been made in respect of the audit recommendations in relation to Data Protection. It was agreed that a further report would be brought to the Committee on this subject when appropriate.

***RESOLVED –**

- (1) That the report be noted.
- (2) That a further report be brought to the Committee on the progress of the implementation of the audit recommendations in respect of Data Protection.

18 INTERNAL AUDIT CHARTER

The Interim Head of Internal Audit Consortium submitted a report recommending the approval of the updated Internal Audit Charter following its review.

The Internal Audit Charter was first approved by Standards and Audit Committee in September 2013 (Minute No. 15 (2013/14)). It was also agreed that the Charter would be reviewed every two years.

The Council was required to include in the Internal Audit Charter a number of elements specified by the Public Sector Internal Audit Standards (PSIAS). These Standards had not been revised since the Charter was approved in 2013.

The Interim Head of Internal Audit Consortium described the minor amendments to the Charter that were proposed.

***RESOLVED –**

- (1) That the outcome of the review of the Internal Audit Charter be noted.
- (2) That the updated Internal Audit Charter be agreed.
- (3) That the Internal Audit Charter be reviewed in two years' time, or sooner in the event of any significant changes being made to the Public Sector Internal Audit Standards.

19 **TREASURY MANAGEMENT REPORT 2014/15 AND MONITORING REPORT 2015/16**

The Chief Finance Officer submitted a report for Members to consider the Treasury Management Annual Report for 2014/15 and the Treasury Management activities for the first five months of 2014/15.

***RESOLVED –**

That it be recommended to Full Council to:

- (1) Note the outturn Prudential Indicators for 2014/15;
- (2) Note the treasury management stewardship report for 2014/15;
- (3) Note the treasury management position for the first five months of 2015/16;
- (4) Approve the proposed changes to the investment arrangements and limits.

20 **LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF PUBLIC**

RESOLVED –

That under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 1 of Part I of Schedule 12A of the Act, as it contained information relating to an individual.

21 **APPOINTMENT OF INDEPENDENT PERSONS**

The Monitoring Officer submitted a report to inform members about the recruitment process for an additional Independent Person and to seek approval for this appointment. Two Independent Persons had previously been appointed by the Council in October 2014.

The Monitoring Officer explained that, in addition to being consulted during the councillor complaints process, the role of the Independent Persons now included involvement in disciplinary matters that could lead to the dismissal of the Council's statutory officers (Head of Paid Service, Chief Finance Officer and Monitoring Officer).

The alternative options that were considered included not appointing an additional Independent Person and continuing with only two, or not appointing this applicant and reopening the recruitment process. It was previously agreed that three Independent Persons would be an appropriate number to be appointed, and it was agreed that this applicant be recommended for appointment.

***RESOLVED –**

That it be recommended to Full Council that this applicant recommended by the Chair of Standards and Audit Committee and the Monitoring Officer be appointed as a third Independent Person for the purpose of giving views on complaints about councillors and involvement in statutory officer disciplinary proceedings.