

## **Audit and Risk Committee – Meeting held on Thursday, 8th November, 2012**

**Present:-** Councillors Nazir (Chair), Brooker, A S Dhaliwal and Dhillon (arrived 6.47pm)

**Apologies for Absence:-** Mr Kwatra

### **PART 1**

#### **21. Declarations of interest**

There were no declarations of interest.

#### **22. Minutes of the last meeting held on 24th September, 2012**

The minutes of the meeting held on 24<sup>th</sup> September 2012 were approved as a correct record, subject to an amendment to minute number 19, Internal Audit Progress Report, to amend the title of Mr Daniel Harris to 'Head of Internal Audit'.

#### **23. Internal Audit Progress Report**

The Head of Internal Audit, Mr Daniel Harris, presented the Internal Audit Progress Report to the Committee. Members were informed that a number of audit reports remained in draft and that 8 of the 32 reports for the current year had a red opinion. It was noted that some of these opinions related to schools, although four related to the Councils control framework. A structure programme of meetings between Internal Audit and management was in place to address the weaknesses identified, including engagement between Internal Audit and the Risk Management Group.

Members asked a number of questions regarding the status of draft reports and the red opinions for Declarations of Interest, Business Rates and Contract Management. Mr Harris highlighted that the audit report on business rates had been finalised and the recommendations had clearly defined management responses and timescales.

#### **Resolved –**

- (a) That the Internal Audit Progress Report be noted.
- (b) That the Chair would meet the Head of Internal Audit prior to the next meeting to discuss progress.

#### **24. Audit Commission Grant Claims Report 2011/12**

The Interim Financial Controller, Mr John Burke, presented the Audit Commission Grant Claims Report 2011/12. Mr Burke reported that the vast majority of claims had been certified without qualification by the Audit Commission, however, a qualification letter had been issued regarding the National Non-Domestic Rates Return.

Members noted the summary of recommendations from the Audit Commission and expressed concern that the recommendation from last year regarding the provision of working papers at the compilation stage had not been implemented due to staff turnover and an absence of central co-ordination. Mr Burke reported that the recruitment process for key staff was well advanced and this should ensure that future deadlines would be met.

**Resolved** - That the report be noted.

**25. Fraud and Risk Update Report**

Mr Burke introduced the Fraud and Risk Update Report in the absence of the Risk Officer. The Committee discussed a number of issues relating to the Corporate Risk Register and the Risk Management Strategy including:

- The way in which the Risk Register was embedded and managed across the organisation.
- The need to complete some sections of the Risk Register, particularly the definition and understanding of some of the risks and agreeing the target dates.
- The need to properly integrate risk management with performance and financial management.

The Committee welcomed the report however they expected that significant progress be made on these issues before the next meeting and Mr Burke stated that he would report this to the Risk Management Group. It was agreed that a presentation be made on risk management at the next meeting.

The Committee also considered the Corporate Investigations Team Report and requested more detailed information for future meetings, particularly in relation to the housing investigations.

**Resolved** - That the Update Risk Management Strategy be endorsed by the Committee and that a presentation on risk management be made at the next meeting.

**26. Members Attendance Record**

**Resolved** - That the report be noted.

**27. Date of Next Meeting - 4 March 2013**

**Resolved** - That the date of the next meeting be Monday, 4<sup>th</sup> March 2013.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 7.32 pm)