

**AUDIT AND GOVERNANCE COMMITTEE**

29 January 2019

**Present** – The Chair (Councillor Harbron) and Councillors Barrett, Brown, Lis, Mercer and Place.

**Officers** – Chief Executive, Chief Finance Officer (s151 Officer), Solicitor to the Council and Monitoring Officer, Electoral Services Manager and Democratic Services Manager.

Apologies for absence were received from Councillors Brockbank, Hull and Whitaker and Independent Member, Greg Robinson.

Start: 6.30pm

Finish: 7.22pm

The minutes of the meeting held on 30 October 2018 were approved as a correct record and signed by the Chair.

**Minutes for Report**

AC.332

**EXTERNAL AUDIT: 2018/19 PROGRESS REPORT**

A report was submitted by Mazars, which provided an update on progress in delivering its responsibilities as external auditor for the Council.

The Chair welcomed the following representatives to the meeting:

- Karen Murray, Engagement Lead, Public Services Audit, Mazars
- Daniel Watson, Engagement Manager, Public Services Audit, Mazars.

**Resolved** – That the audit progress report is noted.

AC.333

**EXTERNAL AUDIT: 2018/19 AUDIT STRATEGY MEMORANDUM**

A report was submitted by Mazars, which presented the Audit Strategy Memorandum for Craven District Council (CDC) for the year ending 31 March 2019.

The document summarised the audit approach undertaken by Mazars and highlighted significant audit risks and areas of key judgements. It was reported that a further update was to be presented to the July meeting of Audit and Governance Committee.

**Resolved** – That the audit strategy memorandum is noted.

AC.334

**EXTERNAL AUDIT: 2017/18 GRANTS LETTER**

A letter was submitted by Mazars, which presented the results of certification work for 2017/18.

It was advised that the only claim or return was the Housing Benefit Subsidy return. Initial testing had identified an error in relation to misclassified overpayments. The result of the amendment was to increase the subsidy owed to the Council by £1,193.

**Resolved** – That the results of certification work for 2017/18 is noted.

AC.335

**INTERNAL AUDIT PROGRESS REPORT**

The Audit Services Manager submitted a report which presented an update on progress made against the 2018/19 Internal Audit plan up to mid-January 2019.

The Chair welcomed to the meeting, Julie Fearn, Auditor, to present the report.

The key points of discussion were:

- Confirmation that a timetable had been put in place to complete 2018/19 audit work that had been identified as 'in progress'.
- That 2019/20 audit plans were to be presented to the April meeting of Audit and Governance Committee. Members were invited to suggest audit plans for consideration.

**Resolved** – That the report and appendices are noted.

AC.336

### **INTERNAL AUDIT REPORT**

An audit services report was submitted in relation to the Transparency Agenda. It was advised that a partial level of assurance had been reported. The findings together with an action plan contained three Priority three recommendations (these related to minor issues of non-compliance with controls).

In relation to MK Ref 210, it was advised that information and data on the website was being updated.

**Resolved** – That the outcome of the Audit Services Report in relation to the Transparency Agenda is noted.

AC.337

### **INTERNAL AUDIT: IMPLEMENTATION OF RECOMMENDATIONS**

The Chief Finance Officer (s151 Officer) submitted a report which presented an update on implementation of internal audit recommendations. This included Priority One internal audit recommendations outstanding and a summary of recommendations that had not yet been cleared.

The Chair welcomed to the meeting, Nicola Chick, Chief Finance Officer (s151 Officer) to present the report.

The key areas of discussion were:

- Confirmation that good progress had been made in relation C6 09 'Physical Security of ICT Equipment and Data'.
- The need to provide Elected Members with risk management training. It was advised that the training was likely to be undertaken by an external provider. Members were asked to state their preference (to the Chief Finance Officer (s151 Officer)) for the session to be delivered during the afternoon or evening.
- In relation to C7 04 'Licensing 2016/17', it was advised that an apprentice had been appointed to the licensing team to assist with reviewing files and removing historic files that were no longer required. One Member pointed out that an estimated completion date had not been identified in the report. It was advised that this issue was to be raised with the Licensing Manager.

**Resolved** – That the position in respect of implementation of internal audit recommendations is noted.

AC.338

### **EXEMPTIONS GRANTED UNDER CONTRACT PROCEDURE RULES**

The Chief Finance Officer (s151 Officer) submitted a report which reported on the exemptions granted from the Council's Contract Procedure Rules from 1 July 2018 to 31 December 2018.

In response to a query, the Chief Finance Officer (s151 Officer) clarified arrangements in relation to the procurement framework.

**Resolved** – That the exemptions granted are noted.

AC.339 **RENEWAL OF ELECTRICITY SUPPLY AGREEMENT**

The Chief Finance Officer (s151 Officer) submitted a report which notified Members of the expiry of the current consortium arrangement for the bulk purchase of electricity and to request authorisation to renew this agreement for a further four years.

Whilst acknowledging the importance of ensuring value for money, one Member also highlighted the need as part of future agreements to consider smaller, more environmentally friendly providers.

**Resolved** – That Craven District Council renews its agreement with the Yorkshire Purchasing Organisation to participate in their consortium arrangement for the procurement of electricity for a further four years.

(Councillor Brown asked for it to be recorded that he abstained from the vote.)

AC.340 **ANY OTHER ITEMS**

In accordance with Section 100B(4) of the Local Government Act 1972, the Chairman agreed to accept an urgent late item of business in relation to an exemption under contract procedure rules. It was advised that due to timing issues an urgent decision was required by the Audit and Governance Committee for a one year extension to the banking contract with Lloyds Bank PLC.

**Resolved** – That the exemption is granted for a one year extension to the banking contract with Lloyds PLC.

**Minutes for Decision**

AC.341 **REVIEW OF POLLING DISTRICTS AND POLLING PLACES**

The Chief Executive (Returning Officer) submitted a report which presented an update on consultation responses that had been received in relation to the review of polling districts and places during the period 1 October to 23 November 2018.

The Chair welcomed to the meeting Ben Natrass, Electoral Services Manager, to present the report.

**Recommended** –

- (a) That no further changes be made to the designation of Polling Districts or Polling Places.
- (b) That the Schedule at Appendix C to the report be adopted.
- (c) That the Schedule be implemented with effect from March 2019.
- (d) That authority is delegated to the Audit and Governance Committee to make any changes to Polling Places in the period to 2023, when the next review will be implemented.
- (e) That authority is delegated to the Returning Officer to make temporary changes to Polling Places during an election period; that is the period between the publication of the Notice of Election and the completion of the Count.

Chairman.