

CANNOCK CHASE COUNCIL
MINUTES OF THE MEETING OF THE
AUDIT AND GOVERNANCE COMMITTEE
HELD ON TUESDAY 25 JUNE 2019 AT 4:00 P.M.
IN THE CIVIC CENTRE, BEECROFT ROAD, CANNOCK

PART 1

PRESENT:
Councillors

Witton, P.T. (Chairman)
Cartwright, Mrs. S.M. (Vice-Chairman)
Crabtree, S.K. Johnson, J.P.
Fisher, P.A. Stretton, Mrs. P.Z.

1. Apologies

Apologies were submitted for Councillor Mrs. V. Jones.

2. Declaration of Interests of Members in Contracts and Other Matters and Restriction on Voting by Members

No Declarations of Interests were made in addition to those already confirmed by Members in the Register of Members' Interests.

3. Minutes

RESOLVED:

That the Minutes of the meeting held on 26 March 2019 be approved as a correct record and signed.

4. Review of the Effectiveness of Internal Audit

Consideration was given to the Report of the Head of Governance and Corporate Services (*presented by the Chief Internal Auditor and Risk Manager*) (Item 4.1 – 4.4 plus appendices of the Official Minutes of the Council).

The Chief Internal Auditor & Risk Manager took Members through the key detail of the report, advising that the one of area of significant non-conformance with the Public Sector Internal Audit Standards (PSIAS) and the Local Government Application Note (LGAN), was not considered to compromise the effectiveness of Internal Audit due to sufficient other safeguards being in place.

Members' attention was also drawn to the improvement plan set out in Appendix 3 of the report, advising that the one identified action was scheduled to be completed by December 2019.

RESOLVED:

That:

- (A) The findings of the annual review of the Effectiveness of Internal Audit for 2018/19 be noted.
- (B) It be noted that Internal Audit generally conformed to the Public Sector Internal Audit Standards, was operating effectively, and could be relied upon when considering the Annual Governance Statement for 2018/19.

5. Internal Audit Annual Report 2018/19

Consideration was given to the Report of the Chief Internal Auditor & Risk Manager (Item 5.1 – 5.13 plus appendices of the Official Minutes of the Council).

The Chief Internal Auditor & Risk Manager took Members through the issues identified in Appendix 1 of the covering report, in particular for the Staff Timekeeping & Leave and Fleet Management audits, both of which had been given a 'limited' assurance rating. A number of actions had been agreed that would hopefully address the various issues raised.

An amended appendix 3 of the covering report was circulated at the meeting as an incorrect version had been included within the original report. All audits referenced in the appendix were well in progress and would be reported to the Committee as part of the 2019/20 quarter 1 update later in the year.

The Chief Internal Audit & Risk Manager then took Members through the following sections of the Annual Report:

- Review of Control Environment;
- Significant Issues Arising 2018-19;
- Audit Performance;
- Fraud & Irregularity Work.

RESOLVED:

That the Internal Audit Annual Report 2018/19 be noted.

6. Strategic Risk Register

Consideration was given to the Report of the Head of Governance and Corporate Services (Item 6.1 – 6.4 plus appendices of the Official Minutes of the Council).

The Head of Governance and Corporate Services advised Members that the Council's risk profile as at 1 April 2019 was unchanged from 1 October 2018, with one strategic risk rated 'red', and four rated 'amber'. A summary of the five strategic risks was detailed in Appendix 1 of the report, and the full risk register detailed in Appendix 2. For three of the risks, some progress had been made in managing them, and for the other two risks, they were on target to be reduced.

RESOLVED:

That the progress made in the identification and management of the Strategic Risks be noted.

7. Annual Governance Statement 2018/19

Consideration was given to the Report of the Head of Governance and Corporate Services (Item 7.1 – 7.4 plus appendices of the Official Minutes of the Council).

The Head of Governance and Corporate Services advised Members that in respect of the 2017/18 Annual Governance Statement (AGS), five items had been completed or were on target for completion, work was in progress on two items, and one item had been deferred until 2019/20. The outstanding issues had been included in the 2018/19 AGS, where appropriate.

Members were then taken through the following aspects of the 2018/19 AGS:

- Review of Effectiveness;
 - Internal Audit
 - Risk Management
 - Statements of Assurance from Heads of Service
 - Statements of Assurance from the Statutory Officers
 - External Audit / Other Review Agencies
 - Leadership Team
- Opinion on the Governance Framework;
- Significant Governance Issues – three new issues had been added to the AGS, these being: Implications arising from EU Exit; Effective management of Corporate Assets and Compliance; and Economic Growth.

RESOLVED:

That the Annual Governance Statement for 2018/19 be approved.

The meeting closed at 4:30 p.m.

CHAIRMAN