

FINANCE, RESOURCES, AUDIT AND GOVERNANCE COMMITTEE

Minutes of a meeting of the Finance, Resources, Audit and Governance Committee of South Norfolk Council held at South Norfolk House, Long Stratton, on Friday, 23 November 2018 at 9.30 am.

Committee Members Present: Councillors: P Hardy (Chairman), L Dale, W Kemp, T Lewis, T Palmer, R Savage and G Wheatley

Officers in Attendance: The Assistant Director of Resources (P Catchpole), the Head of Governance (E Hodds), the Internal Audit Manager (F Haywood), the ICT Manager (C Balmer), the Finance Manager (S Bessey), the Group Accountant (J Brown) and the Executive Assistant to the Chief Executive (C Baldwin)

Also in Attendance: Kevin Suter - Ernst & Young (EY)

187 MINUTES

The minutes of the meeting held on 27 July 2018 were confirmed as a correct record and signed by the Chairman, noting that it would be useful to defer the review of governance until after the new Managing Director commences in post.

188 PROGRESS REPORT ON INTERNAL AUDIT ACTIVITY

The Internal Audit Manager presented the progress report on Internal Audit activity during the period between 1 April and 14 November 2018, highlighting the changes made to the annual plan since the Audit Plan was approved in March 2018. Members noted that 42% of the Audit Plan had been completed and that all five areas covered had been awarded a reasonable assurance. It was also confirmed that the results for the key controls and assurance for elections, part 2, would be reported at the next meeting.

In response to a member's question regarding the auditing of elections, officers advised that, due to the Boundary Review Project, it was felt that this piece of work was necessary. In terms of the Boundary Review, the Head of Governance confirmed that letters would be sent to those residents affected and to the relevant members.

Following a brief discussion, it was:

RESOLVED: To note the outcomes of the five completed audits in the period covered by the report, and the position of the internal Audit Plan for 2018/19.

189 FOLLOW UP REPORT ON INTERNAL AUDIT RECOMMENDATIONS

The Internal Audit Manager presented her report which detailed the progress made in relation to the Council's implementation of the agreed audit recommendations due by 31 December 2018, drawing attention to the important priority recommendations outstanding and where revised deadlines had been set. She was pleased to report that all historic recommendations had been completed and that some progress had already been made on recommendations raised in the current year.

The ICT Manager outlined the position regarding the Service Desk, explaining that the revised deadlines were due to the team needing to give priority to Windows 10 integration, the telephony project, and the collaboration with Broadland District Council.

Responding to a member's question regarding the loss of staff in the ICT team, officers explained the ongoing situation and reassured members that extra resource might be brought in on a temporary basis to assist with the Broadland collaboration work.

It was;

RESOLVED: To note the position in relation to the completion of agreed internal audit recommendations as at 14 November 2018.

190 ANNUAL AUDIT LETTER FOR THE YEAR ENDED 31 MARCH 2018

Kevin Suter from Ernst & Young presented the Annual Audit Letter, explaining that it was a summary of all audit work carried out during the year. He advised members that an unqualified audit opinion on the financial statements and value for money conclusion had been awarded. Mr Suter explained that the delay in issuing the certificate had been due to complex accounting issues in respect of the Council's group accounts, resulting in increased fees. The Assistant Director of Resources asked members to note that Ernst & Young had had to pick up this additional work as a result of issues arising from the external accountants appointed to complete the limited companies work. He added that a decision had been made to re-tender for the accountancy work carried out in relation to the limited companies.

The Finance Manager explained that the certification of claims and returns had been finalised that morning and members were pleased to note that from sample testing only one single discrepancy of £0.08 had been discovered. When extrapolated across the entire population of these claims, the overall reportable error was £3.

Responding to a member's question regarding whether any audit issues were anticipated concerning the Council's collaboration with Broadland District Council, officers explained that the main issue would be deciding how to share and savings, but that audit review would be sought once more detailed proposals had been received. Officers clarified that the proposal would not be brought back to the Finance, Resources, Audit and Governance Committee, as it had been part of the feasibility report which would be signed off by the Section 151 Officer.

The Chairman thanked Mr Suter for presenting his comprehensive report.

It was;

RESOLVED: To note the Annual Audit Letter.

191 REVIEW OF THE LOCAL GOVERNMENT OMBUDSMAN REPORT 2018

The Executive Assistant to the Chief Executive presented her report which sought to advise members of the Council's approach to dealing with complaints, including those that had been referred to the Local Government Ombudsman (LGO) in 2018.

Members were pleased to note a reduction in the number of complaints received compared to the previous year, noting that only three had been subject to detailed investigation. Of these, just one had been upheld, which related to a technical point rather than maladministration.

It was:

RESOLVED: To note the contents of the Review of the Local Government Ombudsman Report.

192 WORK PROGRAMME

Members referred to the Finance, Resources, Audit & Governance Committee's Work Programme.

The meeting concluded at 10.35 am.

Chairman