

**MINUTES OF THE AUDIT & STANDARDS COMMITTEE
HELD ON**

25 November 2015

7.30pm - 8.46pm

PRESENT

Committee Members

Councillor Karen Clempner (Vice-Chair, in the Chair)
Councillor Ian Beckett
Councillor Simon Carter
Councillor Jean Clark
Councillor Waida Forman
Councillor Eddie Johnson
Councillor Edna Stevens

Officers

Graeme Bloomer, Head of Place
Simon Freeman, Head of Finance
Joe McGill, Properties, Facilities and Projects Manager
Sarah Marsh, Internal Audit Manager
Jonathan Russell, Senior Internal Auditor
Jo Maskell, Governance Support Officer

External Auditor

Steve Bladen, Ernst & Young

APOLOGIES

Councillor Manny Doku
Councillor Russell Perrin

25. **DECLARATIONS OF INTEREST**

None.

26. **MINUTES**

RESOLVED that the minutes of the meeting held on 9 September 2015 are agreed as a correct record and signed by the Chairman subject to the following amendments:

- (a) include Pat Buttleman, Senior Auditor to list of Officers present and record Councillor Eddie Johnson's apologies;

- (b) Insert the following additional paragraph at the end of Minute 13:

“The Chairman commented on the fact that the Committee had neither been informed nor was involved in any discussions concerning the inclusion of Epping Forest District Council in the partnership scheme this Council had with Broxbourne Council.”

27. **MATTERS ARISING**

- (a) Internal Audit Activity Report
(Minute 21 Refers)

Further to his briefing note to members of the Committee, the Head of Place confirmed that the Internal Audit's recommendations to formalise the pricing policy at the Latton Bush Centre had now been implemented.

- (b) Any Other Matters Arising

None.

28. **WRITTEN QUESTIONS AND PETITIONS**

None.

29. **NON CONTENTIOUS BUSINESS**

RESOLVED that the following items are taken as non-contentious:

7. Committee Work Plan.
11. Review of Internal Audit Charter.

30. **COMMITTEE WORK PLAN**

The Committee received its current work plan.

RESOLVED that the work plan is noted.

31. **ANNUAL AUDIT LETTER 2014/15**

The Committee received the Annual Audit Letter presented by the external auditor, which summarised their findings on the audit work they had carried out at the Council during 2014/15.

They had issued an unqualified opinion on the Council's accounts for the 2014/15 financial year.

In response to a query regarding the Council's readiness to implement a new requirement to account for Highways Network Assets under Depreciated Replacement Cost, the Head of Finance undertook to circulate a briefing note to members of the Committee on the Council's approach to these changes to the accounting arrangements.

RESOLVED that the Annual Audit Letter for 2014/15 and the key issues identified regarding the audit opinion, financial statements and key challenges are acknowledged.

32. **RISK MANAGEMENT PROGRESS REPORT 2015/16**

In line with the Council's Risk Management Strategy, the Committee received an amended Corporate Risk Register for analysis and scrutiny.

The Committee agreed to focus on the two highest risks regarding financial resilience and housing mix (CR3 and 4) simultaneously, for consideration at a future meeting to ensure they were satisfied with the detail presented in the risk register.

The risks associated with resources/capacity to fulfil community aspirations for street cleaning, waste & recycling, unadopted highways maintenance and landscaping (CR6) were highlighted for further consideration; as was the need to ensure that a process was in place to keep members of the Committee informed of all risks and any specific issues which could have a bearing on risk.

RESOLVED that

- (a) the revised Corporate Risk Register is endorsed and the new format is approved;
- (b) the work being undertaken to define the Council's overall risk appetite is noted;
- (c) CR 3 and 4 be considered in detail at a future meeting of this Committee, and CR 6 be considered at the next meeting of this Committee;
- (d) consideration of items from the Corporate Risk Register is added to the Committee's Work Plan as a standing item;
- (e) a training session on Risk Management is held for Councillors prior to the next meeting of this Committee.

33. **INTERNAL AUDIT ACTIVITY REPORT**

The Committee received the Internal Audit Activity report which showed the progress made against the Audit Plan for the period September to November 2015.

It was noted that the Internal Audit Team had received three additional assignments which had fallen outside the scope of the original Plan, but which had been accommodated through contingency provision.

RESOLVED that the report is noted.

34. **REVIEW OF INTERNAL AUDIT CHARTER**

The Committee received the Internal Audit Charter, unamended since it was approved last year.

RESOLVED that the Internal Audit Charter attached as Appendix A of the report, is approved.

35. **REFERENCES FROM OTHER COMMITTEES**

None.

36. **MATTERS OF URGENT BUSINESS**

None.

CHAIRMAN OF THE COMMITTEE