

## **AUDIT AND GOVERNANCE COMMITTEE**

### **MINUTES OF MEETING Wednesday, 8 January 2020**

**PRESENT:** Councillors Malcom (Chair); Councillors Sultan, Hussain, Martin, Nickson and Williams.

**OFFICERS:** Ian Corbridge – Head of Internal Audit, Julie Murphy – Chief Finance Officer, Martin Nixon – Risk Manager, John Addison – Governance and Committee Services

**ALSO IN ATTENDANCE:** K. Murray and D. Watson (Mazars).

**APOLOGIES FOR ABSENCE:** Councillor James Gartside and Councillor Rashid

#### **28 MINUTES**

##### **RESOLVED**

That the Minutes held on the 25<sup>th</sup> September 2019 be approved as a correct record.

#### **29 DECLARATIONS OF INTEREST**

No declarations of interest were made.

#### **30 URGENT ITEMS OF BUSINESS**

There were no items of Urgent Business.

#### **31 ITEMS FOR EXCLUSION OF PUBLIC AND PRESS**

There were no items under this item.

#### **32 SOCIAL VALUE PRESENTATION FROM LORRAINE COX FROM STAR**

The Committee receive a presentation from the Director for STAR on the impact the service was having in procuring good and services for the GM Authorities that had joined.

It was noted that in 3years the local spend of Council's through STAR had gone from 12% to 43% and this was expected to grow as more local business accessed help to equip themselves to bid for business through the STAR portal.

It was noted that the social value of using STAR equated to £10.5 million for Rochdale or 21pence of every pound spent by the Council.

Members acknowledged the increase of 12-43% of Council's commissioned spend as excellent news.

**RESOLVED**

That the presentation be noted.

**33 2019-20 EXTERNAL AUDIT PROGRESS REPORT**

The Committee received a progress report from the Council's external auditors, noting that the focus of their work had been around planning and preparation for the upcoming audit process.

It was noted that the Audit Plan for the forthcoming year would be presented to the next meeting of the Audit and Governance Committee.

**RESOLVED:**

That the report be noted.

**34 2018-19 ANNUAL AUDIT LETTER**

The Council's External Auditors provided a summary to Members of the Committee of the Annual Audit Letter, which summarised the key findings arising from the work carried out at the Council for the year ended 31<sup>st</sup> March 2019.

An unqualified opinion had been given on the Council's financial statements on 31<sup>st</sup> July 2019. In terms of Value for Money, Grant Thornton were satisfied that the Council had proper arrangements in place to ensure economy, efficiency and effectiveness in its use of resources during the year ended 31<sup>st</sup> March 2019.

**RESOLVED**

That the Annual Audit Letter for the year ended 31<sup>st</sup> March 2019 be noted.

**35 INTERNAL AUDIT QUARTER 2 REPORT 2019/20**

The Head of Internal Audit submitted the second quarter performance report detailing progress of the internal audit team in relation to planned audit activity. Members noted that Internal Audit was able to provide either substantial or adequate assurance over the effectiveness of risk management in all the audits completed during the period. Furthermore, Internal Audit had completed 45% of the agreed Audit Plan which achieved the agreed target set.

It was noted that on page 42, the Audit into Housing Benefit stated that the work had been undertaken by Mazars, this was incorrect and that work had in fact been undertaken by the Council's Internal Audit Team.

**RESOLVED:**

That the report be noted.

**36 RISK MANAGEMENT PROGRESS REPORT - Q2 2019/20**

The committee considered the quarter 2 summary on risk management and insurance activity during 2019/20. The Risk Manager provided a comprehensive report outlining major risk and insurance focussed initiatives and associated progress.

The report provided Members with an update on positive risk management developments in the Environmental Management service and the latest plans to manage priority risks under Integrated Health transformation projects.

It was noted that the Insurance Team achieved a claims cost mitigation figure of £531,964.13 for the quarter. A significant cost saving had been achieved in the procurement of a new insurance broker contract, and a fundamental dishonesty court judgement in the Council's favour demonstrated the success of the team's investigations of and subsequent challenge to claims made.

**RESOLVED:**

That the report be noted.