

AUDIT COMMITTEE

THURSDAY 6 JUNE 2013
7.00 PM

Bourges/Viersen Room - Town Hall

THE CHAIRMAN WILL ASSUME THAT MEMBERS HAVE READ THEIR PAPERS PRIOR TO THE MEETING TO AVOID UNNECESSARY INTRODUCTIONS TO REPORTS. IF ANY QUESTIONS ARE APPARENT FROM THE REPORTS THEY SHOULD BE PASSED TO THE REPORT AUTHOR PRIOR TO THE MEETING

AGENDA

	Page No
1. Apologies for Absence	
2. Declarations of Interest	
<p>At this point Members must declare whether they have a disclosable pecuniary interest, or other interest, in any of the items on the agenda, unless it is already entered in the register of members' interests or is a "pending notification " that has been disclosed to the Solicitor to the Council.</p> <p>Members must also declare if they are subject to their party group whip in relation to any items under consideration.</p>	
3. Minutes of the Meeting held on 27 March 2013	3 - 10
4. Outcome of Standards Complaints under the previous regime (pre July 2012)	11 - 14
5. Feedback Report	15 - 18
6. Work Programme 2013/14	19 - 26

Emergency Evacuation Procedure – Outside Normal Office Hours

In the event of the fire alarm sounding all persons should vacate the building by way of the nearest escape route and proceed directly to the assembly point in front of the Cathedral. The duty Beadle will assume overall control during any evacuation, however in the unlikely event the Beadle is unavailable, this responsibility will be assumed by the Committee Chair.

Committee Members:

Councillors: Lamb (Chairman), Harper (Vice Chairman), Arculus, Lee, Knowles, Fletcher, Lane and Sandford

Substitutes: Councillors: Kreling, Murphy and Miners

Further information about this meeting can be obtained from Karen S Dunleavy on telephone 01733 452233 or by email – karen.dunleavy@peterborough.gov.uk



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MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD AT THE TOWN HALL, PETERBOROUGH ON 27 MARCH 2013

Present: Councillors Lamb (Chairman), Arculus, Kreling, Maqbool, Murphy, Miners and Sandford

Officers in

Attendance: Steve Crabtree, Chief Internal Auditor
Steven Pilsworth, Head of Corporate Services
Diane Baker, Head of Governance
Kevin Dawson, Group Manager Construction, Compliance and Resilience
Karen S Dunleavy, Governance Officer
Jaqui Dudley, PricewaterhouseCoopers
Julian Rickett, PricewaterhouseCoopers

1. Apologies for Absence

Apologies for absence were received from Councillors Harper, Knowles, Fletcher and Lane.

2. Minutes of the Meeting held on 4 February 2013

The minutes of the meeting held on 4 February 2013, were approved as an accurate and true record.

3. Declarations of Interest and Whipping Declarations

There were no declarations of interest or whipping declarations.

4. Risk Management: Strategic Risks

The Group Manager Construction, Compliance and Resilience introduced a report on Risk Management, Business Continuity (BC) and the Strategic Risk Register (SRR). Members were also advised that the SRR had recently been approved by the Corporate Management Team (CMT) on 19 March 2013.

The key points within the report included:

- Completion of operational risk profile;
- Continuation of review and revision of Service and Corporate BC plans;
- Quarterly review of Strategic (corporate) Risk Register by CMT;
- Coordination of Strategic and Departmental Risk Registers;
- Regular risk "conversations" within and between services at all levels;
- Updates on Insite, web and E-Learning;
- Strategic issues such as the introduction and embedding of Risk Management and Business Continuity Management into procurement processes, induction briefings and business plans.
- The training delivered to Members at a recent All Party Policy meeting, which was aimed to assist Members understanding of the risk management process and expectations upon officers;
- Mid May risk management register approval;

- Risk one - growth agenda was reviewed at CMT and further measures were to be introduced in order to reduce the risk level and apply the necessary resources in order to monitor the progress;
- Risk six – Safeguarding – the recent Ofsted results had been included;
- Risk nine – Public Health had also been captured; and
- Risk ten – the Strategic Partnership arrangements was thought to be robust enough by Senior Officers

The Group Manager Construction, Compliance and Resilience and the Head of Corporate Services responded to comments and questions raised by Members regarding the SRR. In summary, the responses included:

- Although the Safeguarding SRR score of 15 had remained the same as the previous year, CMT had proposed a number of actions in order to reduce the risk level;
- CMT had focussed on introducing risk measures for the transfer of health services from the Primary Care Trust (PCT) to the Clinical Commissioning Group (CCG), in order to ensure that the loss of funding did not impact on the health needs of Peterborough. Progress was also to be monitored by the Health and Wellbeing Board ongoing;
- Strategic Partnerships risk had been included on the register in a more detailed way compared to the previous year's register, hence the reason for it being identified as a new risk;
- CMT was to monitor risks on a high level basis for contracts and projects and lower level detail would not be included within the SRR monitoring exercise;
- Any risk identified for income generation for growth projects would be included on the SRR and closely monitored by CMT as appropriate;
- Controls were set at a strategic level in order to monitor contracts;
- The Enterprise Peterborough contract had been discussed, in detail, at a recent Sustainable Growth and Environment Capital Scrutiny Committee. The service Directors and the Cabinet Advisor to the Deputy Leader was in attendance to answer questions and note actions in relation to any contract issues raised; and
- The Energy Park project would be included on the SRR under risk eight, Financial Provision, in line with the relevant financial year, in order to monitor the financial balances.

ACTION AGREED:

The Committee considered and noted the contents of the report.

The Committee Further Agreed:

That the Group Manager Construction, Compliance and Resilience and Head of Corporate Service would communicate to CMT, the Audit Committee's comments and concerns raised regarding whether the appropriate level of risk had been identified on the SRR for the following:

- Growth and income generation based projects;
- The lack of funding for health service provision through Peterborough City Hospital; and
- The Council's Medium Term Financial Strategy (MFTS) and whether the budget would balance in five years time.

5. Regulation of Investigatory Powers Act 2000 (RIPA) Annual Report to 31 December 2012

The Head of Governance introduced a scheduled report on the Council's use of RIPA, which was in accordance with the established Work Programme 2012 / 2013.

Members were advised by the Head of Governance that one covert surveillance exercise had been conducted between 1 October and 31 December 2012. The surveillance had been conducted on a case of fly tipping. Members were also advised that the surveillance operation on the fly tipping case, had been abandoned as the exercise had become non covert.

ACTION AGREED:

The Committee noted the report.

The Committee Further agreed:

The Head of Governance would provide details of the final outcome for the fly tipping surveillance operation, which took place during 1 October and 31 December 2012.

6. External Audit: Report to Management

PricewaterhouseCoopers (PwC) introduced the report which outlined matters identified during the interim and final audits of the 2011/12 accounts. The Committee was also advised that four new control issues were noted, all of which were medium priority. In addition, the Committee was advised that all of the issues highlighted through the external audits in prior years had been addressed.

PwC responded to questions and comments raised by Members. In summary, responses included:

The management response for payroll controls regarding improvements for document retention was to be validated by PwC as part of the 2012/13 external audit. PwC would review the processes in place and provide an update to the Committee as part of the 2012/13 reporting.

ACTION AGREED:

The Audit Committee noted the content of the report and commented on issues identified within the various commissioned works.

7. External Audit: Audit Plan

PricewaterhouseCoopers introduced a report on the External Audit Plan for 2012/13.

The following key points within the report included:

- Risk assessments for the year management controls;
- Key Risks - Financial Statement Specific Risks identified, which included:
 - Management override of Controls;
 - Revenue and expenditure recognition;
 - Property, plant and equipment valuation;
 - Property, plant and equipment – new fixed asset system;
 - Adult Social Care – new social care records system; and
 - Savings targets.

- The de minimis threshold of £250,000;
- Invest to Save governance arrangements;
- Risk of fraud;
- External audit fees; and
- The budget allocation for external audit fees which was to be agreed with the Audit Committee.

PricewaterhouseCoopers responded to comments, questions and concerns raised by Members. In summary, responses included:

- The fees charged by PwC were based on a scale fee that had been set by the Audit Commission's guidance and was lower for 2012/13, due to the recent national procurement exercise undertaken by the Audit Commission and changes in the recharge mechanism;
- The high risk identified for management override of control was raised across all audits and was necessary, for example, in order to closely monitor the appropriateness of accruals and deferral of expenditure processes. The process was overseen by Peterborough City Council's (PCC's) Finance Team, where managers were regularly challenged to justify any amounts identified;
- The Council had changed the accounting policy in line with the guidance on capitalisation of the financial costs. On adoption of the policy change, PCC had decided not to capitalise on any finance costs incurred;
- The audit approach on savings targets was intended to consider new and unusual proposals, which enabled PwC to consider the impact of income and expenditure against the PCC efficiency challenge. PCC would also engage with PwC if an initiative was likely to have complex accounting arrangements. Recent examples highlighted, where the audit approach was utilised were for the Local Authority Mortgage (LAM) scheme and the transfer of Adult Social Care;
- The solar panel and wind farm income generation proposals would not be included within the 2012/13 external audit plan, as the process referred to projects that were underway;
- The de minimus value was set at a percentage of the total Council's gross budget. The £250,000 value was within that threshold; and
- The capitalisation costs on building properties could include architect, surveying and borrowing costs;

7.51pm - At this point Councillor Sandford arrived at the meeting.

- Valuations were conducted by PCC external experts and in conjunction with the Accounts team. PwC auditors checked the valuations with their internal Valuation Team in order to compare the figures and to assess the balances;
- PwC would also pay particular attention to the current market fluctuations and high value assets within the property valuation audit exercise;
- The Audit Committee was charged with governance and would be in a position to raise any issues it believed would be of a fraudulent nature;
- The Council also operated a whistle blowing policy. Senior Officers such as the Chief Executive, Chief Internal Auditor and the Head of Governance would be approached in order for any member of staff or Councillor to raise any suspicion of fraudulent activities that they believed may be occurring in the Council;
- The current Whistle Blowing policy was under review and would be presented to Audit Committee for comment in June 2013;
- A report was presented on an annual basis to the Audit Committee by the Head of Governance in order to highlight investigations, which had taken place, such as blue badges, benefit and corporate fraud; and

- PwC were commissioned by the Audit Commission to provide external audit services to PCC until 2015/16. The Council would be in a position to appoint their own external auditors once the Draft Local Audit Bill had been approved by Government.

8.04pm - At this point Councillor Maqbool arrived at the meeting.

During debate, Members raised a number of concerns including:

- Answers provided by PCC Officers to Members questions did not appear to be detailed or transparent enough; and
- Some financial information in relation to Cabinet decisions had proved to be difficult to obtain.

AGREED ACTION:

The Committee:

- i) Considered the External Audit Plan for 2012/13 and considered the points raised by PwC;
- ii) Agreed to the proposed scope, comfortable with the audit risks, and approach;
- iii) Considered and responded to matters relating to fraud;
- iv) Approved the PwC audit fees for the year;
- v) Provided comment on any amendments necessary; and
- vi) Approved the Audit Plan.

The Committee Further Agreed:

- That the Head of Corporate Services would provide an update on progress of the PwC's audit of the Invest to Save Scheme to all Members of the Audit Committee; and
- That the Audit Committee's comments regarding their concerns over the availability of transparent information, was to be communicated to Cabinet.

8. Public Sector Internal Audit Standards and the Effectiveness of Internal Audit and the Audit Committee

The Chief Internal Auditor introduced a report to the Committee on the Public Sector internal Audit Standards that were to be in effect from 1 April 2013.

The following key points within the report included:

- The Committee would receive a progress report in 2013 on the new standards that were to be in place by 1 April 2013;
- The new standards were to provide a consistent standard across all public sector bodies;
- For consistency across all sectors, the Chief Internal Auditor or Head of Internal Audit would be referred to as the Chief Audit Executive;
- Audit Charter update;
- Regular review of effectiveness of service internally and externally;
- CIPFA guidance check lists;
- The options for Internal resources for annual reviews;
- Quality assessments to be conducted either by external audit or an independent body; and
- Further guidance from CIPFA on the processes was due on 3 April 2013.

The Chief Internal Auditor responded to questions raised by Members. In summary, the responses included:

- The new standards were intended to standardise auditing processes for all organisations; and
- Internal assessments across other organisations would involve extra staff on a reciprocal basis.

AGREED ACTION:

The Committee:

- i) Considered and endorsed the new Public Sector Internal Audit Standards applicable from 1 April 2013; and
- ii) Noted the implications for future assessments in relation to the effectiveness of the Internal Audit service and that of the Audit Committee.

9. Draft Internal Audit Plan 2013 / 2014

The Chief internal Auditor introduced a report on the draft annual plan for Internal Audit for 2013/14 for consideration by Audit Committee.

The following key points within the reports included:

- The draft audit plan, which set out the Work Programme for the Audit Team for 2013/14 took into account a number of factors which included the Strategic Risk Register (SRR); Work Programmes of other Council Committees; set vision for PCC; the transfer of Adult Social Care and Public Health; key areas captured in conjunction with PwC; and Annual Governance and Assurances together with the identification of strategic operational risks and the governance arrangements;
- A contingency amount had been set aside to manage additional requests from Audit Committee in order to attribute the necessary resources to cope with the extra workload;
- Audit Team's Charter; and
- In order to provide coverage, an approach was identified for recruitment and the sharing of financial resources;

The Chief Internal Auditor and the Head of Corporate Services responded to comments, questions and concerns raised by Members. In summary, responses included:

- Operational contracts and partnerships, which had included the enterprise bus contract had been discussed at a recent Sustainable Growth & Environment Capital (SGEC) Scrutiny Committee, where Officers had been present to answer any questions and to respond to comments raised by Members;
- The borrowing levels identified within the recently approved Medium Term Financial Strategy (MFTS), by Council, had been deemed to be set at appropriate ratio levels;
- Operational contracts and partnerships had been identified as a piece of work to be included in the Internal Audit Plan for 2013/14 and the Committee may request a more detailed report regarding a particular contract if required;
- Plans for the Chief Internal Auditor to spread his services across three Local Authorities would see his time in Peterborough reduced and being covered by the existing team members, subject to recruitment;
- A recruitment exercise was currently underway for the vacant position within the Audit Team;
- A transition board had been commissioned to manage the transfer of Public Health Services (PHS) to PCC;

- The integration of the PHS into PCC would continue to be monitored by the transition board after 1 April 2013, and it was best practice to include its progress within PCC's Internal Audit Plan;
- PCC Officers would monitor the various grants received for Council services. There would be a checks and balance process in place in order to ensure that grants had been received. This would be followed by an Audit;
- Audits for fixed asset accounting for PCC properties were conducted by Serco and Enterprise Peterborough, who had the appropriate assurances set in place. PwC had also included the PCC property fixed asset accounting within their external audit plan; and
- Schools chosen to be included in the internal audit plan were chosen from a database on a basis of risk level.

Following responses to questions, Members debated further. In summary, comments and concerns raised included:

- Officers responses provided at the recent SGEC Scrutiny Committee had not provided satisfactory explanations over the significant increase in the Enterprise bus contract; and
- Caution should be exercised by PCC over the position of some of the Adult Social Care services.

AGREED ACTION:

The Committee:

- (i) Identified any areas for further consideration;
- (ii) Approved the draft audit plan 2013/14; and
- (iii) Noted the contents of the Internal Audit Charter.

The Committee Further Agreed

The Chief Internal Auditor would communicate to CMT the Audit Committees concerns raised regarding PCC Contracts and Partnerships. Concerns raised included:

- The financial increase for the Enterprise Peterborough bus contract; and
- PCC's financial position in providing some Adult Social Care services.

10. Draft Annual Audit Committee Report

The Chief Internal Auditor introduced a report on the Annual Audit Committee 2012/13 report to Council.

The progress of the recent Code of Conduct changes and terms of reference of the hearing Panel (Sub-Committee to the Audit Committee) had been included on the Committees Work Programme for 2013/14.

AGREED ACTION:

The Committee approved the Annual Audit Report 2012/13 to Council.

11. Feedback Report

The Chief Internal Auditor introduced a report on the feedback over actions raised at previous meetings of the Audit Committee. The Committee had received the SRR as an agenda item at this meeting.

12. Work Programme

The Chief Internal Auditor submitted the latest version of the Work Programme for the municipal year 2013/2014 for consideration and approval. The standard report provided details of the proposed Work Programme for the Municipal Year 2013/2014, together any training needs identified.

Members were advised that although training was provided at each start of the municipal year with a copy of the training pack provided to all the substitutes for Audit Committee, the Chief Internal Auditor would welcome any request for specific training that Committee Members may wish to be included.

In addition, Members were advised that the Chief Internal Auditor was liaising with the Head of Governance in order to include Audit Committee training within a comprehensive training package that was being compiled for all Members.

AGREED ACTION:

The Committee noted and approved the 2013/2014 Work Programme.

The Committee Further Agreed:

That the Governance Officer and Chief of Internal Audit, would provide a response to Members of the Audit Committee regarding the PCC constitutional requirements for the agenda setting process in relation to Audit Committee.

7.00pm – 8.59pm
Chairman

AUDIT COMMITTEE	AGENDA ITEM NO.4
6 JUNE 2013	PUBLIC REPORT

Contact Officer(s):	Kim Sawyer, Head of Legal Services and Monitoring Officer	Tel. 452361
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OUTCOME OF STANDARDS COMPLAINTS UNDER PREVIOUS STANDARDS REGIME (PRE JULY 2012)

R E C O M M E N D A T I O N S	
FROM : Kim Sawyer, Head of Legal Services and Monitoring Officer	Deadline date : None
<p>It is recommended that Audit Committee:</p> <ol style="list-style-type: none"> 1. Notes the position in respect of all outstanding complaints prior to the introduction of the new standards regime in July 2012; 2. Notes that no further action will be taken in respect of three complaints where the investigating officer found no case to answer; 3. Notes that four complaints were referred for informal resolution and the status of those complaints; 4. Receives an update in respect of the appointment of a Deputy Independent Person, and determines the next steps it wishes to take in this respect. 	

1. ORIGIN OF REPORT

1.1 This report is submitted to Audit Committee as an update from the Head of Legal Services and Monitoring Officer.

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is to advise Members of the Audit Committee of the actions taken in respect of complaints outstanding from the former Standards regime.

2.2 This report is for the Committee to consider under its Terms of Reference No. 2.2.1.20 'Promoting and maintaining high standards of conduct by Councillors and co-opted members'.

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	NO	If Yes, date for relevant Cabinet Meeting	N/A
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4. UPDATE ON OUTSTANDING COMPLAINTS

4.1 Following introduction of the new regime in July 2012, there was a delay in resolving outstanding complaints until the Council was able to appoint an Independent Person, which it did in December 2012. This is because the Monitoring Officer is required to discuss cases with the Independent Person before finalising them.

4.2 All complaints made under the old regime have now been fully investigated, and discussions in respect of them have taken place between the Monitoring Officer and Independent Person.

- 4.3 In respect of three complaints, the investigating officer found no breach of the code, therefore no further action will be taken.
- 4.4 In respect of the four remaining complaints, it is proposed that they are resolved informally. Informal resolution is an option available to the Monitoring Officer when the facts of the complaint are straightforward and a resolution can be reached without the need to incur further costs and resources.
- 4.5 Three of the complaints related to the same Councillor, and stem from virtually the same facts. The Councillor has been invited to a meeting with the Monitoring Officer and Independent Person to discuss appropriate standards of behaviour, and this resolution has been accepted by the Member concerned. The meeting is scheduled to take place on 23 May. An update on this complaint will be provided to the next Audit Committee meeting. If the meeting scheduled for 23 May does not take place, it is likely that the case may be referred to the Audit Committee for a local hearing by a sub-committee.
- 4.6 The final complaint relates to one isolated incident some time ago and it was proposed that the Councillor involved signs a Written Undertaking confirming that they will respect the requirements in the code of conduct. The Written Undertaking has been completed and signed by the Member concerned.

5. UPDATE ON RECRUITMENT OF DEPUTY INDEPENDENT PERSON

- 5.1 Members will no doubt recall that the Council intended to recruit a Deputy Independent Person for times when the Independent Person is either unavailable, or has a conflict of interest. The following attempts to recruit have been undertaken:
- Advert on Council website September
 - Advert on Council website October
 - Advert on Council website January/February
 - Communications team scheduled tweets to advertise the position
 - Approached all Local Councils to target their Independent Persons and ex-Independent Members
 - Approached candidates shortlisted for the independent co-optees for the Police and Crime Panel
- 5.2 Despite these efforts, there has been no interest at all in the position of Deputy. It is possible that the decision not to recruit anyone with involvement in the previous regime is having an adverse affect on the ability to recruit, as other Councils that did not make this decision have been able to recruit.
- 5.3 Members of Audit Committee are now asked to consider how they wish to proceed. The options are:
- Members wish to put the recruitment of a Deputy on hold for the time being, to be kept under review if the number of complaints increases;
 - An advertising campaign could be launched in the external media; or
 - Consider recruiting persons who were Independent Members of the former Standards Committee.

6. CONSULTATION

- 6.1 There has been consultation with the Council's Independent Person, Gillian Holmes, as required under the complaints process. Other forms of consultation are inappropriate given the confidential nature of the previous complaints process.

7. ANTICIPATED OUTCOMES

- 7.1 That Audit Committee notes the position.

8. REASONS FOR RECOMMENDATIONS

- 8.1 Recommendations one to three are simply to update the Audit Committee on the position of complaints outstanding from the previous Standards regime. In respect of recommendation four, the Audit Committee needs to determine how it wishes to proceed, as previous recruitment attempts have been unsuccessful.

9. ALTERNATIVE OPTIONS CONSIDERED

- 9.1 Alternative options on the outstanding complaints are to refer all those where the investigating officer has found evidence of breach for a hearing by a sub-committee of Audit Committee. This is not required by the procedure adopted by Council in July 2012, the Monitoring Officer has discretion to resolve complaints informally following discussion with the Independent Person. Given that the complaints pre date the new system being introduced, and are therefore quite old complaints, it is considered more appropriate to deal with them informally.
- 9.2 In respect of the appointment of Deputy Independent Person, the alternative options are either to advertise externally, relax the prohibition about candidates not having been involved in the previous regime, or to decide not to continue with the recruitment of a Deputy, given the relatively low level of complaints that the Council has received to date (with this decision being kept under review if the volume of complaints should increase).

10. IMPLICATIONS

- 10.1 There are no financial or legal implications from the actions proposed in respect of the outstanding complaint, nor any other significant implications.
- 10.2 There would be financial implications if the Committee should decide to undertake an external advertising campaign for a Deputy Independent Person, which would be limited to advertising costs, and would depend upon the publications in which the campaign was advertised.

11. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

- 11.1 Report to Full Council July 2012 setting out the new standards regime.

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AUDIT COMMITTEE	AGENDA ITEM No.5
6 JUNE 2013	PUBLIC REPORT

Cabinet Member(s) responsible:	Councillor Seaton, Resources Portfolio Holder	
Committee Member(s) responsible:	Councillor Lamb, Chair of Audit Committee	
Contact Officer(s):	Steve Crabtree, Chief Internal Auditor	☎ 384 557

FEEDBACK REPORT

1. ORIGIN OF REPORT

This is a standard report to Audit Committee which forms part of its agreed work programme.

2. PURPOSE AND REASON FOR REPORT

This standard report provides feedback on items considered or questions asked at previous meetings of the Committee. It also provides an update on any specific matters which are of interest to the Committee or where Committee have asked to be kept informed of progress.

3. APPENDICES

Appendix A - Feedback Responses

AUDIT COMMITTEE: RECORD OF ACTION TAKEN

MUNICIPAL YEAR: MAY 2013 - APRIL 2014

DATE ISSUE RAISED	AGENDA ITEM / ACTION ARISING	OFFICER RESPONSIBLE	ACTION TAKEN	SIGN OFF DATE
Item 4 Risk Management	Communicate the Audit Committees comments and concerns raised regarding whether the appropriate level of risk had been identified for the following: <ul style="list-style-type: none"> • Growth and income generation based projects; • The lack of funding for Health Service provision through Peterborough Hospital; and • The Council's Medium Term Financial Strategy (MFTS) and whether the budget would balance in five years time. 	Kevin Dawson	Comments have been communicated to CMT.	30/4/13
Item 5 Regulation Of Investigatory Powers Act 2000 (Ripa) Annual Report To 31 December 2012	Provide details of the final outcome for the fly tipping surveillance operation, which took place during 1 October and 31 December 2012.	Diane Baker	The outcome of this particular exercise was unsuccessful as the covert recording equipment was compromised.	10/4/13
Item 7 External Audit: Audit Plan	Provide an update on progress of the PwC's audit of the Invest to Save Scheme to all Members of the Audit Committee. That the Audit Committee's comments regarding their concerns over the availability of transparent information, was to be communicated to Cabinet.	Steven Pilsworth	An update letter has been sent to all Audit Committee Members. PwC have also scheduled an update to be presented to Audit Committee on 24 June.	29/4/13

Item 9 Draft Internal Audit Plan 2013 / 2014	Communicate to CMT the Audit Committees concerns raised regarding PCC Contracts and Partnerships. Concerns raised included: <ul style="list-style-type: none"> • The financial increase for the Enterprise Bus Contract; and • PCC's financial position in providing some Adult Social Care services. 	Steve Crabtree	The issues have been referred to CMT and also linked to risk registers.	3 May 2013
Item 12 Work Programme	Provide a response to Members of the Audit Committee regarding the PCC constitutional requirements for the agenda setting process.	Karen S Dunleavy/Steve Crabtree	Subject to Audit Committee agreement, a series of agenda setting meetings will be organised for the Municipal Year 2013-14.	24/4/13

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AUDIT COMMITTEE	AGENDA ITEM No.6
6 JUNE 2013	PUBLIC REPORT

Cabinet Member(s) responsible:	Councillor Seaton, Resources Portfolio Holder	
Committee Member(s) responsible:	Councillor Lamb, Chair of Audit Committee	
Contact Officer(s):	Steve Crabtree, Chief Internal Auditor	☎ 384 557
	Karen Dunleavy, Governance Officer	☎ 452 233

WORK PROGRAMME

1. ORIGIN OF REPORT

1.1 This is a standard report to Audit Committee which forms part of its agreed work programme. This standard report provides details of the:

- Work Programme for 2013 / 2014.

2. UPDATE

2.1 Work Programme 2013 / 2014

The Work Programme is based on previous years agendas. The programme has been refreshed throughout the year in consultation with senior officers and the Committee membership to ensure that it remains relevant and up to date. In addition, any delays in reporting issues are recorded so that they do not drop off the committee agenda.

3. APPENDICES

3.1 Appendix A – Work Programme 2013/14

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WORK PROGRAMME

Training for Members on specific aspects of the Audit Committee agenda items are available through the year and will be arranged on request and will take place on separate day to that of the Committee meeting.

DATE: 6 JUNE 2013			
		Section / Lead	Description
Standard	Apologies for Absence		
Standard	Declarations of Interest and Whipping Declarations		
Standard	Minutes of the Meeting Held on 27 March 2013	Democratic Services Karen Dunleavy	
* NEW *	Outcome of Standards Complaints under the previous regime (pre July 2012)		
Standard	Feedback Report	Democratic Services Karen Dunleavy	
Standard	Work Programme 2013 / 2014	Democratic Services Karen Dunleavy	

WORK PROGRAMME

Training for Members on specific aspects of the Audit Committee agenda items are available through the year and will be arranged on request and will take place on separate day to that of the Committee meeting.

DATE: 24 JUNE 2013			
		Section / Lead	Description
Standard	Apologies for Absence		
Standard	Declarations of Interest and Whipping Declarations		
Standard	Minutes of the Meeting Held on 6 June 2013	Democratic Services Karen Dunleavy	
	Internal Audit: HoIA Opinion 2012 / 2013	Internal Audit Steve Crabtree	To receive, consider and endorse the annual report on Internal Audit activities for the year ended 31 March 2013
	Internal Audit: Review of Effectiveness	Internal Audit Steve Crabtree	To receive, consider and endorse the annual review of the effectiveness of Internal Audit for the year ended 31 March 2013 together with any associated action plan
	Compliance Team Annual Report 2012 / 2013	Governance Diane Baker	To receive, consider and endorse the annual report on the investigation of fraud and irregularities for the year ended 31 March 2013
	Draft Annual Governance Statement	Internal Audit Steve Crabtree	To receive, consider and endorse the draft Annual Governance Statement for the year ended 31 March 2013
	Budget Monitoring Report Final Outturn 2012 / 2013 and the Draft Statement of Accounts	Finance Steven Pilsworth	To receive, consider and endorse the final outturn position for the year ended 31 March 2013 and the draft Statement of Accounts
* NEW *	Invest To Save Update	Finance Steven Pilsworth	Following a Member request to External Audit to review the Invest to Save scheme, PwC will provide an update on their works
	Other Governance Reports	Governance Diane Baker	Subject to new policies needing approval
	Member Reports	Governance Diane Baker	Dependent on updates
Standard	Feedback Report	Democratic Services Karen Dunleavy	
Standard	Work Programme 2013 / 2014	Democratic Services Karen Dunleavy	

WORK PROGRAMME

Training for Members on specific aspects of the Audit Committee agenda items are available through the year and will be arranged on request and will take place on separate day to that of the Committee meeting.

DATE: 23 SEPTEMBER 2013			
		Section / Lead	Description
Standard	Apologies for Absence		
Standard	Declarations of Interest and Whipping Declarations		
Standard	Minutes of the Meeting Held on 24 June 2013	Democratic Services Karen Dunleavy	
	Risk Management: Strategic Risks	Operations Kevin Dawson	To receive an update on the strategic risks for the Council
	Regulation of Investigatory Powers Act (2000): Quarterly Report 1	Governance Diane Baker	To receive an update of RIPA during the 3 months to 30 June 2013
	Audit of Statement of Accounts To Those Charged with Governance	Finance Steven Pilsworth	To receive the final Statement of Accounts for the year ended 31 March 2013 and the annual report to those charged with governance following their scrutiny by External Audit
* DATE CHANGE *	Whistleblowing Policy	Governance Diane Baker	Original policy scheduled for June 2013.
	Other Governance Reports	Governance Diane Baker	Subject to new policies needing approval
	Member Reports	Governance Diane Baker	Dependent on updates
Standard	Feedback Report	Democratic Services Karen Dunleavy	
Standard	Work Programme 2013 / 2014	Democratic Services Karen Dunleavy	

WORK PROGRAMME

Training for Members on specific aspects of the Audit Committee agenda items are available through the year and will be arranged on request and will take place on separate day to that of the Committee meeting.

DATE: 4 NOVEMBER 2013			
		Section / Lead	Description
Standard	Apologies for Absence		
Standard	Declarations of Interest and Whipping Declarations		
Standard	Minutes of the Meeting Held on 23 September 2013	Democratic Services Karen Dunleavy	
	Internal Audit: Mid Year Progress Report	Internal Audit Steve Crabtree	To receive an update on progress against the Annual Audit Plan together with details of any concerns
	Treasury Management	Finance Steven Pilsworth	To receive an update on the policy and effectiveness of treasury management
	Use of Consultants	Finance Steven Pilsworth	To receive an update on the Use of Consultants across the organisation
	Regulation of Investigatory Powers Act (2000): Quarterly Report 2	Governance Diane Baker	To receive an update of RIPA during the 3 months to 30 September 2013
	Other Governance Reports	Governance Diane Baker	Subject to new policies needing approval
	Member Reports	Governance Diane Baker	Dependent on updates
Standard	Feedback Report	Democratic Services Karen Dunleavy	
Standard	Work Programme 2013 / 2014	Democratic Services Karen Dunleavy	

WORK PROGRAMME

Training for Members on specific aspects of the Audit Committee agenda items are available through the year and will be arranged on request and will take place on separate day to that of the Committee meeting.

DATE: 3 FEBRUARY 2014			
		Section / Lead	Description
Standard	Apologies for Absence		
Standard	Declarations of Interest and Whipping Declarations		
Standard	Minutes of the Meeting Held on 4 November 2013	Democratic Services Karen Dunleavy	
	External Audit: Report to Management	PwC	To receive and approve the External Audit report in relation to issues identified as part of their audit works
	External Audit: Annual Audit Letter	PwC	To receive and approve the External Audit report in relation to issues identified as part of their audit works
	External Audit: Grant Claims Annual Certification	PwC	To receive and approve the External Audit report in relation to issues identified as part of their audit works
	Other Governance Reports	Governance Diane Baker	Subject to new policies needing approval
	Member Reports	Governance Diane Baker	Dependent on updates
Standard	Feedback Report	Democratic Services Karen Dunleavy	
Standard	Work Programme 2013 / 2014	Democratic Services Karen Dunleavy	

WORK PROGRAMME

Training for Members on specific aspects of the Audit Committee agenda items are available through the year and will be arranged on request and will take place on separate day to that of the Committee meeting.

DATE: 24 MARCH 2014			
		Section / Lead	Description
Standard	Apologies for Absence		
Standard	Declarations of Interest and Whipping Declarations		
Standard	Minutes of the Meeting Held on 3 February 2014	Democratic Services Karen Dunleavy	
	Risk Management: Strategic Risks	Operations Kevin Dawson	To receive an update on the strategic risks for the Council
	External Audit: Audit Plan	PwC	To receive and approve the External Audit Plan
	Internal Audit: Draft Internal Audit Plan 2014 / 2015	Internal Audit Steve Crabtree	To receive and approve the Internal Audit Plan 2014 / 2015
	Effectiveness of the Audit Committee	Internal Audit Steve Crabtree	To receive an update on the effectiveness of the Audit Committee together with an Action Plan to address any shortcomings
	Draft Annual Audit Committee Report	Democratic Services Karen Dunleavy	To receive the Draft Annual Audit Committee Report prior to submission to Council
	Regulation of Investigatory Powers Act (2000): Quarterly Report 3	Governance Diane Baker	To receive an update of RIPA during the 3 months to 31 December 2013
	Member Reports	Governance Diane Baker	Subject to new policies needing approval
Standard	Feedback Report	Democratic Services Karen Dunleavy	Dependent on updates
Standard	Work Programme 2013 / 2014	Democratic Services Karen Dunleavy	