

MINUTES OF THE JOINT AUDIT AND STANDARDS COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, COUNCIL OFFICES, HADLEIGH ON
MONDAY 18 APRIL 2016 AT 10.00 A.M.

PRESENT: William Shropshire (Chairman)

BABERGH

Sue Ayres
Tina Campbell
Siân Dawson
John Hinton
Alastair McCraw
David Rose
John Ward

MID SUFFOLK

Jessica Fleming
Elizabeth Gibson-Harries
Glen Horn
John Matthissen
Suzie Morley
Derek Osborne
Kevin Welsby

Councillor Penny Otton was unable to be present.

47 SUBSTITUTES

It was noted that in accordance with Council Procedure Rule No.5, substitutes were in attendance as follows:-

Jessica Fleming (substituting for Jill Wilshaw)
Alastair McCraw (substituting for Tony Bavington)
Derek Osborne (substituting for Lavinia Hadingham)

48 DECLARATION OF INTERESTS

There were no declarations of interest.

49 MINUTES

RESOLVED

That the Minutes of the meeting held on 22 January 2016 be confirmed and signed as a correct record.

50 PETITIONS

None received.

51 QUESTIONS FROM THE PUBLIC

None received.

52 QUESTIONS FROM MEMBERS

None received.

53 EXTERNAL AUDIT REPORTS

Melanie Richardson and Katie Durham from Ernst & Young attended the meeting to present the reports and reply to questions put to them by Members:

(a) Certification of Claims and Returns Annual Report 2014/15 (MSDC)

Melanie Richardson presented [Paper JAC71](#), summarising the scope of work undertaken by the External Auditor, errors identified in respect of housing benefits subsidy claim and the additional testing that had been undertaken as a result. Melanie drew Members' attention to the increased fee as a consequence of the additional testing.

(b) Audit Plan 2015/16 (MSDC)

Melanie Richardson presented [Paper JAC72](#), summarising the financial statement risks and value-for-money risks, and replied to Members' questions, including in relation to the Council's risk register, value-for-money risks and the Code work fees.

(c) Audit Fee Letter 2016/17 (MSDC)

Melanie Richardson presented [Paper JAC73](#) and together with Katherine Steel, Head of Corporate Resources, answered Members' questions in relation to Annual Audit and Certification Fees for 2016/17.

(d) Audit Plan 2015/16 (BDC)

Melanie Richardson presented [Paper JAC74](#), summarising the financial statement risks and value-for-money risks, and replied to Members' questions in relation to the difference in fees between the two Councils. Members asked for the Babergh certification of claims to be re-circulated, for completeness.

(e) Audit Fee Letter 2016/17 (BDC)

Melanie Richardson presented [Paper JAC75](#), which mirrored the equivalent paper for Mid Suffolk. In response to Members' questions Katherine Steel clarified the position with regards to the 25% reduction to the housing benefit subsidy claim certification fees for 2016/17.

RESOLVED

That the external audit reports be noted.

54 INTERNAL AUDIT PLAN 2016/17

Paul Jarvis, Audit and Risk Officer, introduced [Paper JAC76](#) detailing the proposed Internal Audit Plan for 2016/17. Members were asked to review and note the proposed Plan attached as Appendix A to the report. Katherine Steel and Paul Jarvis replied to Members' questions on various related matters including the interpretation of 'Governance' in paragraph 10.2, the performance audit of the shared IT services and the resources available to deliver the Audit Plan.

RESOLVED

That the Internal Audit Plan 2016/17 (Appendix A to Paper JAC76) be noted.

55 MANAGING THE RISK OF FRAUD AND CORRUPTION – ANNUAL REPORT 2015/16

John Snell, Corporate Manager – Internal Audit, introduced [Paper JAC77](#), which explained the current arrangements in place for both Councils to ensure there was a pro-active corporate approach to preventing fraud and corruption. He also reported on compliance with the CIPFA Code of Practice – Managing the Risk of Fraud and Corruption (included in Appendix A) and replied to Members' questions, including in relation to the National Fraud Initiative, Housing Benefit claims and Universal Credit.

RESOLVED

- (1) That the progress made in ensuring there are effective arrangements and measures in place across both Councils to minimise the risk of fraud and corruption as outlined in Paper JAC77 be noted.**
- (2) That compliance against the CIPFA Code of Practice – Managing the Risk of Fraud and Corruption (Appendix A) be noted.**

56 FORWARD PLAN

Linda Sheppard, Senior Governance Support Officer, reported that the Mid-Year Report on Internal Audit 2016/17 had been added to the Forward Plan for the meeting on 14 November 2016 after publication of the Agenda.

Members noted that a report on Non-Salary Expenses for Senior Officers would be added to the Forward Plan for the meeting on 20 June 2016.

RESOLVED

That the content of [Paper JAC78](#) as updated above be noted.

57 EXCLUSION OF THE PUBLIC (WHICH TERM INCLUDES THE PRESS)

RESOLVED

That pursuant to Part 1 of Schedule 12A of the Local Government Act 1972, the public be excluded from the meeting for the business specified below on the grounds that if the public were present during this item, it is likely that there would be the disclosure to them of exempt information as indicated against the item.

The Committee was also satisfied that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

58 UPDATED SIGNIFICANT RISK REGISTER (Exempt information by virtue of Paragraphs 3 of Part 1)

The Minute relating to this item is excluded from the public record. A summary of the Minute made by the Proper Officer in accordance with sub-section 2 of Section 100 of the Local Government Act 1972 is set out below.

Members had before them [Paper JAC79](#). Officers responded to questions raised by Members.

The Committee accepted the recommendation subject to amendments.

Note: The meeting was adjourned between 10:17am and 10:33 am to resolve a technical issue.

The business of the meeting was concluded at 11.50 a.m.

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Chairman