

FINANCE AND AUDIT SCRUTINY COMMITTEE

Minutes of the meeting held on Thursday, 30 May 2013 at the Town Hall, Royal Leamington Spa at 8.20pm.

PRESENT: Councillors Barrott, Bromley, MacKay, Mrs Syson, Weed and Williams.

Apologies for absence were received from Councillors Mellor, Pittarello and Rhead.

1. **SUBSTITUTES**

There were no substitutes.

2. **APPOINTMENT OF CHAIR**

RESOLVED that Councillor Barrott be appointed Chair of the Committee for the 2013/14 municipal year.

3. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

4. **MINUTES**

The minutes of the meeting held on 8 May 2013 were taken as read and signed by the Chair as a correct record.

5. **ANNUAL GOVERNANCE STATEMENT**

Members received a report from Finance which set out the Annual Governance Statement for 2012/2013 in draft. The Statement described the governance arrangements that were in place during the financial year. It would eventually be signed by the Chief Executive and Leader of the Council following reviews by this Committee and Standards Committee.

Regulation 4 of the Accounts and Audit (England) Regulations 2011 required that "...the body or committee must approve an annual governance statement, prepared in accordance with proper practices in relation to internal control." The CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom 2006 provided the "proper practices" referred to in Regulation 4. CIPFA's Code of Practice required the Council to designate a committee to consider or approve the Annual Governance Statement. The Council had designated the Standards Committee for this task. With its involvement in matters concerning governance and internal control, however, it was appropriate that the Finance and Audit Scrutiny Committee should review the Annual Governance Statement in draft before it was finalised.

RESOLVED that the Annual Governance Statement for the year ended 31 March 2013 be noted.

FINANCE AND AUDIT SCRUTINY COMMITTEE (Continued)

6. INTERNAL AUDIT ANNUAL REPORT 2012/14

The Committee considered a report from Finance presenting the Internal Audit annual report for the year ended 31 March 2013, which formed part of the evidence for the Annual Governance Statement.

The CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom 2006 required an opinion on the overall adequacy and effectiveness of the organisation's control environment to be presented to the Committee designated to consider or approve the Annual Governance Statement. Accordingly, the report would be submitted to the Standards Committee on 12 June. The Finance and Audit Scrutiny Committee was asked to address its views to that meeting.

RESOLVED that the Internal Audit Annual Report for the year ended 31 March 2013 be noted.

7. REVIEW OF EFFECTIVENESS OF INTERNAL AUDIT 2012/13

The Committee considered a report from Finance presenting the outcomes from the review of the effectiveness of the Council's system of internal audit for the year ended 31 March 2013.

The review was undertaken in accordance with the Accounts and Audit (England) Regulations 2011, which required such a review at least once a year and presentation of the results to the Committee designated to consider or approve the Annual Governance Statement. Accordingly, the report would be presented to the Standards Committee on 12 June. The Finance and Audit Scrutiny Committee was invited to address its views to that meeting.

RESOLVED that the scope, method and outcomes of the effectiveness of the Council's system of internal audit for the year ended 31 March 2013 be noted.

8. CIPFA STATEMENT ON THE ROLE OF THE HEAD OF INTERNAL AUDIT IN PUBLIC SERVICE ORGANISATIONS

The Committee received a report from Finance which provided a summary of the CIPFA Statement on the Role of the Head of Internal Audit in Public Service Organisations.

Members had responsibility for corporate governance, of which internal audit formed a key part.

It was not considered that the Statement presented any issues for, or required any actions by, the Council. Nevertheless, the Statement reinforced a number of important principles that were useful to bring to the attention of the Finance & Audit Scrutiny Committee to assist it in overseeing the work of Internal Audit.

RESOLVED that the report be noted.

FINANCE AND AUDIT SCRUTINY COMMITTEE (Continued)

9. FORWARD PLAN

The Committee considered a report from Civic and Committee Services informing it of the current Forward Plan, attached as an appendix to the report.

One of the five main roles of overview and scrutiny in local government was to undertake pre-decision scrutiny of Executive decisions. If the Committee had an interest in a future decision to be made by the Executive it was within the Committee's remit to feed into the process.

The Forward Plan detailed the future work programme for the Executive. If a non-Executive Member highlighted a decision which was to be taken by the Executive which they would like to be involved in, Members could then provide useful background to the Committee when the report was submitted to the Executive and they were passing comment on it.

RESOLVED that, at present, there were no forthcoming Executive decisions which Members wished to have an input into before the Executive make their decision.

10. REVIEW OF THE WORK PROGRAMME

A report from Civic and Committee Services detailed the Committee's work programme for 2013/14.

RESOLVED that the work programme for 2013/14 be noted.

(The meeting ended at 8.58pm)