

**AUDIT AND GOVERNANCE COMMITTEE MINUTES
29 JANUARY 2015**

Present: Councillors Stevens (Chairman), Lovelock, McElligott, Page, Stanford-Beale & Terry.

Apologies: Councillor Debs Absolom

Also in attendance:

Alan Cross	Head of Finance
Paul Harrington	Head of Audit & Risk Management
Ian Wardle	Managing Director

15. MINUTES

The Minutes of the meeting of 25 September 2014 were confirmed as a correct record and signed by the Chairman.

16. AUDIT & INVESTIGATIONS QUARTERLY PROGRESS REPORT

P Harrington submitted a report providing the Committee with an update on key findings emanating from Internal Audit reports issued since the last quarterly progress report in September 2014.

The report set out a summary of the audit reports and an assurance finding for audits carried out of the following service areas:

- LSTF (Cycle Hire)
- Licensing
- Deferred Payment Scheme
- Access to Records
- Entitlement & Assessment
- Health & Safety Review
- Public Health
- School Audits: Thameside Primary School, Caversham Primary School, Phoenix, Blagrove, English Martyr's

The report also provided details of forthcoming audit reviews and the status of programmed audits, and set out progress on the response to audit reports and the implementation of agreed audit recommendations.

The report also provided details of work which the Council's Corporate Investigations Team and Internal Audit had undertaken since April 2014 in respect of investigations into benefit, housing tenancy fraud and other corporate investigations. It also gave a summary of changes to the Audit & Investigations staffing structure, following the creation of a national Single Fraud Investigation Service and the transfer of investigation work on Housing and Council Tax Benefit across to the Department for Work and Pensions along with some Council staff on 1 December 2014.

Resolved: That the report be noted.

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17. DRAFT TREASURY STRATEGY & INVESTMENT STATEMENT FOR 2015/16

The Head of Finance submitted a report presenting the draft Treasury Strategy & Investment Statement, which the Chartered Institute of Public Finance and Accountancy recommended should be considered by Audit Committee prior to approval by Council, as part of the overall governance arrangements. The statement would be submitted to the Council meeting on 24 February 2015 as part of the overall budget proposals.

The report noted that the draft strategy might see some amendments to ensure it was consistent with the remainder of the budget proposals, but major change impacting 2015/16 was not anticipated.

A Cross gave a presentation at the meeting which covered the current treasury position, the outlook for the next few years, recent trends in the investment and borrowing markets, a summary of the Council's current investment holdings and other current treasury issues. He noted that many local authorities were increasing their investments in property funds, which were offering better long-term returns than lending rates, and that this option was being considered by the Council.

Resolved: That the draft Treasury Strategy & Investment Statement for 2015/16 be noted.

18. STRATEGIC RISK REGISTER

P Harrington submitted a report updating the Committee on the Q3 status of the Council's 2014/15 Strategic Risk Register, in line with the requirements of the Council's risk management strategy. The register was attached to the report at Appendix 1.

The report stated that the Corporate Management Team (CMT) maintained the Register on behalf of the Council, with the assistance of the Chief Auditor. The Register was reviewed on a quarterly basis by officers and formally refreshed six-monthly by CMT. The Register was presented to the Audit & Governance Committee approximately every six months, or more frequently if circumstances required an update. It had last been presented to the Committee at its meeting on 25 September 2014 (Minute 10 refers).

The register set out mitigating actions taken to address the risks identified, which were monitored on a monthly basis.

Resolved: That the Q3 status of the Council's 2014/15 Strategic Risk Register be noted.

19. BUDGET MONITORING 2014/15

A Cross submitted a report, which had also been considered by the Policy Committee at its meeting on 19 January 2015, setting out the results of a detailed budget monitoring exercise undertaken for 2014/15, based on the position to the end of November 2014.

The results of the Directorate budget monitoring exercises were attached at Appendices 1A-1C.

Resolved: That the report be noted.

(The meeting started at 6.30pm and closed at 7.20pm).