

31 MAY 2018

NEW FOREST DISTRICT COUNCIL

AUDIT COMMITTEE

Minutes of a meeting of the Audit Committee held in Committee Room 1, Appletree Court, Lyndhurst on Thursday, 31 May 2018

* Cllr A D O'Sullivan (Chairman)

* Cllr J G Ward (Vice-Chairman)

Councillors:

* A R Alvey
W G Andrews
* J D Heron

Councillors:

* Mrs E L Lane
* Miss A Sevier
* C A Wise

*Present

In attendance:

Cllr M R Harris, Local Economic Development, Property & Innovation Portfolio Holder

Also In Attendance:

Mr A Boutflower, Hampshire County Council

Officers Attending:

Miss G O'Rourke, A Bethune, Mrs L Conway, A Harvey and A Rogers

Apologies:

Cllr W G Andrews

4 MINUTES

RESOLVED:

That the minutes of the meetings held on 23 March and 14 May 2018 be signed by the chairman as correct records.

5 CHAIRMAN'S ANNOUNCEMENT

On behalf of the Committee, the Chairman paid tribute to former Cllr Bob Wappet, who had passed away in April. He had been a valuable member of the Audit Committee, was well liked by colleagues, and had would be greatly missed.

The Chairman welcomed Cllr Miss Sevier to her first meeting of the Audit Committee.

6 DECLARATIONS OF INTEREST

No declarations of interest were made by any member in connection with any agenda item.

7 PUBLIC PARTICIPATION

No issues were raised during the public participation period.

8 TREASURY MANAGEMENT OUT-TURN REPORT 2017/18

The Committee considered the Treasury Management outturn report for 2017/18–2019/20.

The report confirmed compliance with all treasury management activities, including the authorised investment and borrowing limits.

It was noted that there was a private member's bill progressing through parliament with the aim of restricting the acquisition of land and property by local authorities in England outside their own local authority boundaries, as well as limiting investment in commercial 'risk taking enterprises' and public borrowing for non-core activities. It was hoped that the bill would be modified in Parliament so that the more prudent authorities (such as NFDC) were not adversely affected.

RESOLVED:

That the report be noted.

9 LOCAL CODE OF GOOD GOVERNANCE REVIEW

The Committee received the Local Code of Good Governance Review report for 2017/18, prepared by the Council's Monitoring Officer and the Chief Finance Officer.

The report reviewed the Council's compliance against the Code, which contained 7 core principles.

The report concluded that the Council was able to have confidence in the effectiveness of its governance arrangements.

RESOLVED:

That the assessment carried out by the Monitoring Officer and the Chief Finance Officer, and the actions set out in Appendix 3 of the report, be approved.

10 DRAFT ANNUAL GOVERNANCE STATEMENT

The Committee considered the Draft Governance Statement for 2017/18.

RESOLVED:

That the draft Annual Governance Statement for the year ended 31 March 2018 as reported in Appendix 1 to the report be approved.

11 DRAFT ANNUAL FINANCIAL REPORT

The Committee considered the draft Annual Financial Report for 2017/18. The final version was to be submitted to the Committee in July. The main features of the report were explained. Members asked questions to which answers were given.

Members were advised that the full version of the report was available on the Council's website, and the related weblink appears here for members' reference: <http://www.newforest.gov.uk/statementofaccounts> .

RESOLVED:

That the Committee note the draft accounting statements set out in Appendices 1-6 in the report, as a summary of the Annual Financial Report to be certified by the Responsible Financial (S151) Officer for submission to the external auditor by 31 May 2018.

12 FINAL ACCOUNTS BAD DEBTS WRITE-OFF 2017/18

The Committee noted a summary of the total bad debts written off during the financial year 2017/18.

Members noted that parking penalty charge write-offs appeared to have risen significantly in the past year, from £13,778 in 2016/17, to £28,888 in 2017/18, and queried the reason for this. Officers undertook to provide members with further details in due course.

RESOLVED:

That the report be noted.

13 CONTRACT STANDING ORDERS RELATING TO PROCUREMENT WAIVERS 2017/18

The Committee noted a summary of contract standing order waivers granted in 2017/18.

Members queried the largest waivers set out in Appendix 1 to the report and officers undertook to provide details to members in due course.

RESOLVED:

That the report be noted.

14 ANNUAL INTERNAL AUDIT AND OPINION REPORT 2017/18

The Committee received the Annual Internal Audit and Opinion report for 2017/18.

It was reported that the Council's framework of governance, risk management and management control was considered to be 'Reasonable' and audit testing had demonstrated controls to be working in practice.

Where internal audit work identified areas where management controls could be improved or where systems and laid down procedures were not fully followed, appropriate corrective actions and a timescale for improvement were agreed with the responsible managers.

No significant issues requiring inclusion within the Annual Governance Statement were identified as a result of the internal audit activity.

Members noted the internal audit coverage and input at page 41 of the document, quantitative data on assurance levels on page 42, and key observations highlighted in page 43 of the report. It was also noted that the issues highlighted in the key observations had all been addressed.

RESOLVED:

That the report be noted.

15 AUDIT COMMITTEE WORK PLAN

The Committee noted its Work Plan.

CHAIRMAN