

NOTTINGHAM CITY COUNCIL

AUDIT COMMITTEE

MINUTES of the meeting held at LH 3.19 - Loxley House, Station Street, Nottingham, NG2 3NG on 7 August 2015 from 10.30 - 10.58

Membership

Present

Councillor Sarah Piper (Chair)
Councillor Steve Young (Vice Chair)
Councillor Michael Edwards
Councillor John Hartshorne
Councillor Anne Peach
Councillor Andrew Rule
Councillor Malcolm Wood

Absent

Councillor Toby Neal

Colleagues, partners and others in attendance:

Shail Shah	- Head of Audit
Jeff Abbott	- Head of Corporate Finance
Barry Dryden	- Senior Finance Manger
Glyn Daykin	- Treasury Management Finance Analyst
Catherine Ziane-Pryor	- Governance Officer

15 **APOLOGIES FOR ABSENCE**

Sue Sunderland and Richard Walton from KPMG External Auditors.

16 **MINUTES**

Subject to the following amendments to the recommendations of minute 7, Agenda item 7, 'Progress Against Recommendations of the ACTICA Review of Nottingham City Council IT Services', the minutes were confirmed and signed by the Chair:

- (a) deletion of recommendation 2;
- (b) insertion of the following new recommendations:
 - (i) 'that with regard to the 28 recommendations within the ACTICA report, the IT Service Support Manager provide Councillors Edwards, Peach and Young with the action plan identifying the individual time scale targets to implement or address each recommendation;'
 - (ii) 'for the IT Service Support Manager to provide a briefing note to all Councillors, outlining the IT equipment disposal policy and providing contact details for relevant IT colleagues to assist with distributing old equipment to community and voluntary groups.'

17 DECLARATIONS OF INTERESTS

None.

18 AUDIT COMMITTEE ANNUAL REPORT 2014/15

Councillor Sarah Piper, Chair of the Committee, presented the report which details the work undertaken by the Audit Committee during the 2014/15 municipal year.

RESOLVED

- (1) to note the work undertaken by the Audit Committee during 2014/15;**
- (2) to approve the Audit Committee Annual Report 2014/15.**

19 DRAFT STATEMENT OF ACCOUNTS 2014/15

Barry Dryden, Senior Finance Manager, presented the report which, in complying with Audit Regulations 2011, produce an un-audited Annual Statement of Accounts which are made available for public inspection prior to consideration for approval at the Audit Committee's meeting in September 2015.

The following responses were provided by the Senior Finance Officer, who was accompanied by Jeff Abbott, Head of Corporate Finance:

- (a) monitoring of the success and failure of other Local Authorities, with regard to their financial management, is ongoing to prevent any repeats of processes and strategies which have been proven flawed, but also to take advantage of the systems and strategies which are proven to be beneficial;
- (b) the movement in resources and payroll is partly as a result some senior staff not receiving pension contributions as following a change in legislation, their pension has been effectively frozen so there is no benefit for them to make further contributions, and if the employee is not contributing, the Council will not contribute;
- (c) with regard to the process for assessing the impact on the valuation of the City Council's assets, such as the government's announcement regarding 'right to buy', specific formula are applied which take into account the rental value of properties, making allowances for market value variations;
- (d) with regard to Section 8, paragraph 8.5.2 and the joint venture partnership with 'Blueprint Limited, it is noted that the City Council has some long term assets held for sale and this will have an impact on the balance sheet.

RESOLVED

- (1) to note that the Statement of Accounts was submitted to the Audit Commission for audit review on 29 June 2015;**
- (2) to note that the contents of the Statement of Accounts will be placed on deposit for public inspection for 20 working days from 6 July 2015;**

- (3) to note that there have been no significant changes to the accounting policies presented to Audit Committee on 27 February 2015;**
- (4) for the Statement of Accounts to be produced on a going concern basis;**
- (5) to note that the Audit Committee will be required to review the final audited Statement when it is presented on 18 September 2015;**
- (6) to accept the offer of the Senior Finance Manager to facilitate a training session on the Statement of Accounts, prior to the next Audit Committee Meeting.**

20 EXCLUSION OF THE PUBLIC

RESOLVED to exclude the public from the meeting during consideration of the remaining agenda item in accordance with Section 100A(4) of the Local Government Act 1972 on the basis that, having regard to all the circumstances, the public interest in maintaining the exemption outweighed the public interest in disclosing the information, as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act.

21 EXEMPT MINUTE

The exempt minute of the meeting held on 26 June 2015, was confirmed and signed by the Chair.