

# AUDIT & GOVERNANCE COMMITTEE

## MINUTES

TUESDAY 18 SEPTEMBER 2018  
GIPPING ROOM, GRAFTON HOUSE  
6.00 PM

**Present:** Councillors J Cook, M Goonan, T Grant, D Maguire, I Fisher, E Phillips and B Knowles (Substitute)

**20. Apologies for Absence**

Apologies for absence were received by Councillor Leeder and Mr Hanson.

The Audit and Governance Committee requested that their recognition to Mr Hanson as a valued member of the Committee be recorded, as he would be retiring from his role as Independent Member.

**21. Unconfirmed Minutes of the Meeting held on 19 July 2018**

21.1. It was requested that Councillor Maguire's declaration of interest be amended to read '*as he was a employee of Ipswich Buses Ltd.*'

**Resolved:**

**that the Minutes of the Meeting held on 19 July 2018, with the amendment above, be signed as a true record.**

**22. To Confirm or Vary the Order of Business**

**Resolved:**

**that the Order of Business be as printed on the agenda.**

**23. Declarations of Interest**

Councillor Knowles declared an interest in item 5 – AG/18/12 Annual Audit Letter for the year ended 31 March 2018 as he was a Director of Handford Homes Ltd.

Councillor Maguire declared an interest in item 5 – AG/18/12 Annual Audit Letter for the year ended 31 March 2018 as he was a Employee of Ipswich Buses Ltd.

**24. AG/18/12 Annual Audit Letter for the year ended 31 March 2018**

24.1. Mr John Chance, Head of Finance and Revenues, reported on the Annual Audit Letter and confirmed that an external audit had been undertaken for the year ended 31 March 2018 and this provided a summary of the Audit procedures, and an unqualified opinion of the financial statements had been concluded.

24.2. Councillor Phillips asked for further clarification with regards to Standard IFRS 9 Financial Instruments. Mr Chance advised that the Council were required to adhere to a new standard of financial reporting. Guidance had been issued and it was anticipated that there would be no significant effect to the Council from this new standard, which would include changing the way potential impairment to assets would be re-measured and calculated.

**Resolved:**

**that the report be noted.**

**25. AG/18/13 Financial Management & Control Corporate Budget Monitoring - Quarter 1 2018/19**

25.1. Mr Tom Minnican, Operations Manager Finance, provided an update on the Financial Management & Control Corporate Budget Monitoring for Quarter 1 and detailed the forecast outturn position for the General Fund Revenue Budget, the Housing Revenue Account, the Shared Revenues Partnership and the Capital Programme. The current general fund forecast was surplus to £1.4m against the budgeted deficit, which had occurred due to business rate income being higher than what had been budgeted for in March 2018.

25.2. Mr Minnican confirmed that the funding for the Public Realm Schemes was not currently known.

25.3. Mr Minnican reported that with regards to procurement general fund savings, there had been a number of savings delivered; however, these had not been recorded. Therefore, the process for this had been considered further to ensure that all procurement savings would now be correctly recorded and identified within the budget.

25.4. Mr Minnican agreed to provide a written response to the Audit & Governance Committee with regards to the £10,000 Unison secretary costs.

- 25.5. Discussion took place around the loss of budgeted income from the delay in completing the construction of Crown Car Park and how Officers would examine options to recover this lost income. Mr Minnican clarified that Officers would be identifying and increasing occupancy where possible within the car park to make back costs. With regards to possible penalty clauses for late delivery, this continued to be managed by Legal Services.
- 25.6. The Chair asked if when substantial business rates had been written off, would these relate to more than one year and could the period be identified. Mr Minnican confirmed that they could and confirmed that with regards to the write offs in the report, Viewstar Ltd had been between the period of April 2016 and December 2017, and Smart Consulting Ltd related to the period of July 2016 to March 2018.

**Resolved:**

**that the report be noted.**

**26. AG/18/14 Internal Audit Reports Recently Issued**

- 26.1. The Head of Internal Audit, Ms Martin, confirmed that the overall assurance level for Housing Rents was good and there had been no recommendations made.
- 26.2. Ms Martin agreed to provide a response at the next meeting with regards to why the amount of money collected from garage rents had decreased.

**Resolved:**

**that the report be noted.**

**27. AG/18/15 Audit & Governance Committee Future Work Programme 2018/19**

- 27.1. Councillor Knowles requested that the Museum Audit be included in the Audit and Governance Work Programme. It was agreed that this would be included on the agenda for the December meeting.
- 27.2. Ms Martin confirmed that prior to the meeting on the 11 December 2018 there would be the annual audit training session. A presentation on the Pension Fund Update would also be provided by Suffolk County Council.

**Resolved:**

**that the Audit & Governance Committee Future Work Programme 2018/19 be noted.**

**28. Exclusion of Public**

**Resolved:**

**that the public (including the Press) be excluded from the meeting during consideration of the remaining items under Section 100(A) of the Local Government Act 1972 as it was likely that if members of the public were present during these items there would be disclosure to them of exempt information as defined within paragraphs 3 & 4 of Part 1 of Schedule 12A of the Act.**

**NOT FOR PUBLICATION**

29. **Unconfirmed Exempt Minutes of the Meeting held on 19 July 2018**
30. **AG/18/16 Internal Audit Reports Recently Issued**

The meeting closed at 6.34 pm

**Chair**