



Leicester
City Council

MEETING OF THE AUDIT AND RISK COMMITTEE

DATE: WEDNESDAY, 12 AUGUST 2015
TIME: 5:30 pm
PLACE: Meeting Room G.01, Ground Floor, City Hall, 115 Charles Street, Leicester, LE1 1FZ

Members of the Committee

Councillor Patel (Chair)
Councillors Alfonso, Hunter, Singh-Johal and Westley

Members of the Committee are summoned to attend the above meeting to consider the items of business listed overleaf.

for Monitoring Officer

Officer contact: Angie Smith
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Information for members of the public

Attending meetings and access to information

You have the right to attend formal meetings such as full Council, committee meetings, City Mayor & Executive Public Briefing and Scrutiny Commissions and see copies of agendas and minutes. On occasion however, meetings may, for reasons set out in law, need to consider some items in private.

Dates of meetings and copies of public agendas and minutes are available on the Council's website at www.cabinet.leicester.gov.uk, from the Council's Customer Service Centre or by contacting us using the details below.

Making meetings accessible to all

Wheelchair access – Public meeting rooms at the City Hall are accessible to wheelchair users. Wheelchair access to City Hall is from the middle entrance door on Charles Street - press the plate on the right hand side of the door to open the door automatically.

Braille/audio tape/translation - If you require this please contact the Democratic Support Officer (production times will depend upon equipment/facility availability).

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Filming and Recording the Meeting - The Council is committed to transparency and supports efforts to record and share reports of proceedings of public meetings through a variety of means, including social media. In accordance with government regulations and the Council's policy, persons and press attending any meeting of the Council open to the public (except Licensing Sub Committees and where the public have been formally excluded) are allowed to record and/or report all or part of that meeting. Details of the Council's policy are available at www.leicester.gov.uk or from Democratic Support.

If you intend to film or make an audio recording of a meeting you are asked to notify the relevant Democratic Support Officer in advance of the meeting to ensure that participants can be notified in advance and consideration given to practicalities such as allocating appropriate space in the public gallery etc.

The aim of the Regulations and of the Council's policy is to encourage public interest and engagement so in recording or reporting on proceedings members of the public are asked:

- ✓ to respect the right of others to view and hear debates without interruption;
- ✓ to ensure that the sound on any device is fully muted and intrusive lighting avoided;
- ✓ where filming, to only focus on those people actively participating in the meeting;
- ✓ where filming, to (via the Chair of the meeting) ensure that those present are aware that they may be filmed and respect any requests to not be filmed.

Further information

If you have any queries about any of the above or the business to be discussed, please contact Angie Smith, **Democratic Support on (0116) 454 6354** or email Angie.Smith@leicester.gov.uk or call in at City Hall, 115 Charles Street.

For Press Enquiries - please phone the **Communications Unit on 0116 454 4151**

PUBLIC SESSION

AGENDA

1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

Members are asked to declare any interests they may have in the business to be discussed.

3. MINUTES OF THE PREVIOUS MEETING

Appendix A

The Minutes of the previous meeting of the Audit and Risk Committee held on 1st July are attached, and Members will be asked to confirm them as a correct record.

4. REPORT ON THE TRANSITION TO NEW BANKING ARRANGEMENTS

Appendix B

The Director of Finance submits a report that provides Committee with an update on the project to transfer the Council's banking services from the Co-operative Bank to Barclays Bank. The main project has now been completed and the report details the procurement and implementation of the new contract and notes changes to facilities arising from the new arrangements. The Audit and Risk Committee is recommended to note the report, and make any comments it sees fit either to the Director of Finance.

5. REGULATION OF INVESTIGATORY POWERS ACT 2000 - BI-ANNUAL PERFORMANCE REPORT JANUARY 2015 - JUNE 2015

Appendix C

The City Barrister and Head of Standards submits a report on the performance of the Council in authorising Regulatory Investigatory Powers Act (RIPA) applications, from 1st January 2015 to 30th June 2015. The Committee is recommended to receive the report and note its contents, note the reviewed Surveillance Policy, and make any recommendations or comments it sees fit either to the Executive or City Barrister and Head of Standards.

6. COUNTER-FRAUD ANNUAL REPORT 2014-15

Appendix D

The Director of Finance and the Director of Environmental and Enforcement Services submit a joint report, which provides the Audit and Risk Committee on counter-fraud activities during 2014-15. The Audit and Risk Committee is recommended to receive the report, and make any recommendations it sees fit to the Executive, Director of Finance or Director of Environmental and Enforcement Services.

7. DRAFT STATUTORY STATEMENT OF ACCOUNTS FOR THE FINANCIAL YEAR 2014-15 [Appendix E](#)

The Director of Finance presents the Draft Statement of Accounts for the year ended 31st March 2015. The Audit and Risk Committee is recommended to note the draft accounts for the year ended 31st March 2015 as submitted for audit.

8. REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL AUDIT IN 2014-15 [Appendix F](#)

The Director of Finance submits a report that presents the findings of the annual review of the effectiveness of the Council's system of internal audit for 2014-15. The Committee is recommended to accept the findings of the review, and conclude that the Council has an effective system of internal audit upon which it (the Council) can place reliance.

9. RISK MANAGEMENT AND INSURANCE SERVICES UPDATE REPORT [Appendix G](#)

The Director of Finance submits a report that provides Committee with the regular update on the work of the Council's Risk Management and Insurance Services team's activities. The Committee is recommended to receive the report and note its contents, and make any recommendations or comments it sees fit either to the Executive or Director of Finance.

10. ANNUAL APPROVAL OF THE POLICY FOR THE ENGAGEMENT OF EXTERNAL AUDITORS FOR NON-AUDIT WORK [Appendix H](#)

The Director of Finance submits a report to seek the Audit and Risk Committee's approval of the Policy for Engagement of External Auditors for Non-Audit Work. The Committee is recommended to approve the Policy.

11. PRIVATE SESSION

AGENDA

MEMBERS OF THE PUBLIC TO NOTE

Under the law, the Committee is entitled to consider certain items in private where in the circumstances the public interest in maintaining the matter exempt from publication outweighs the public interest in disclosing the information. Members of the public will be asked to leave the meeting when such items are discussed.

The Committee is recommended to consider the following report in private on the grounds that it will contain 'exempt' information as defined by the Local Government (Access to Information) Act 1985, as amended, and consequently makes the following resolution:-

“that the press and public be excluded during consideration of the following report in accordance with the provisions of Section 100A(4) of the Local Government Act 1972, as amended, because it involves the likely disclosure of 'exempt' information, as defined in the Paragraph detailed below of Part 1 of Schedule 12A of the Act, and taking all the circumstances into account, it is considered that the public interest in maintaining the information as exempt outweighs the public interest in disclosing the information.”

Paragraph 3

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

This report concerns the strength of internal controls in the City Council's financial and management processes and includes references to material weaknesses and areas thereby vulnerable to fraud or other irregularity. It is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

INTERNAL AUDIT UPDATE REPORT, THIRD AND FOURTH QUARTERS,
2014-15 – OUTCOMES ONLY APPENDIX B1

**12. INTERNAL AUDIT UPDATE REPORT - THIRD AND Appendix B1
FOURTH QUARTERS 2014-15**

The Director of Finance submits a report that provides the Audit and Risk Committee with a summary of Internal Audit work completed in the third and fourth quarters of the financial year 2014-15; that is between 1 October 2014 and 31 March 2015. The report provides relevant information on the progress made by the Council in implementing recommendations arising from reports issues by Internal Audit, and to provide more detail on those Internal Audit reports in which low assurance levels have been given and where there are material concerns.

The Committee are recommended to receive the report and note the key issues identified.

13. ANY OTHER URGENT BUSINESS

