



Leicester  
City Council

## **MEETING OF THE AUDIT AND RISK COMMITTEE**

**DATE: WEDNESDAY, 2 DECEMBER 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)

Councillor Malik (Vice-Chair)

Councillors Alfonso, Hunter, Singh-Johal and Westley

One Labour Group vacancy

Two unallocated Non-Group Places

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**  
*Democratic Support, Democratic Services*  
*Leicester City Council,*  
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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 & 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](http://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.

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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](mailto: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**

#### **FIRE / EMERGENCY EVACUATION**

If the emergency alarm sounds, you must evacuate the building immediately by the nearest available fire exit and proceed to area outside the Ramada Encore Hotel on Charles Street as directed by Democratic Services staff. Further instructions will then be given.

#### **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 meeting of the Audit and Risk Committee held on 29<sup>th</sup> September 2015 are attached and the Committee is asked to confirm them as a correct record.

#### **4. INVOICE PAYMENT DATA**

**Appendix B**

The Director of Finance submits a report which provides the Committee with an overview of the timeliness of invoice payments the authority makes to its suppliers of goods and services. The Committee are asked to note the report and work recently undertaken to meet the Executive pledge to improvement payment terms for small local businesses.

#### **5. CORPORATE COMPLAINTS (NON-STATUTORY)**

**Appendix C**

The Director of Finance submits a report to update the Committee on progress since the Vacancy Management Service Manager presented findings on the corporate non-statutory complaints process and to report the quarterly non-statutory complaints figures. The Committee are asked to note the report.

#### **6. PROCUREMENT UPDATE 2015/16**

**Appendix D**

The Director of Finance submits a report to Committee on the updated 2015-16 Procurement Plan. The Committee is asked to note the report and make any comments prior to an Executive Decision.

**7. ANNUAL AUDIT LETTER 2014-15** [Appendix E](#)

The External Auditor submits an Annual Audit Letter which summarises the key findings from the 2014/15 audit of Leicester City Council, and audit fee. The Committee are asked to note the report.

**8. EXTERNAL AUDIT PROGRESS REPORT AND TECHNICAL UPDATE - OCTOBER 2015** [Appendix F](#)

The External Auditor submits a report which provides an overview on progress in delivering responsibilities as external auditors. The report also highlights the main technical issues which are currently having an impact in local government. The Committee are asked to note the report.

**9. COUNTER FRAUD / HOUSING AND COUNCIL TAX FRAUD- HALF-YEARLY UPDATE REPORT FOR THE PERIOD 1 APRIL 2015 TO 30 SEPTEMBER 2015** [Appendix G](#)

The Director of Finance and the Director of Local Services & Enforcement submit a joint report to provide the Committee with information on counter-fraud activities between 1 April 2015 and 30 September 2015. The Committee is recommended to note the report.

**10. INTERNAL AUDIT CHARTER** [Appendix H](#)

The Director of Finance submits a report to seek the Committee's approval of updates to the Internal Audit Charter. The Committee is recommended to receive the report for formal approval.

**11. PUBLIC SECTOR INTERNAL AUDIT STANDARDS AND QUALITY ASSURANCE AND IMPROVEMENT PROGRAMME** [Appendix I](#)

The Director of Finance submits a report to present to Committee the results of a self-assessment of conformance to the Public Sector Internal Audit Standards (PSIAS) and the associated Quality Assurance and Improvement programme (QAIP). The Committee are asked to note the report.

**12. INTERNAL AUDIT - 3RD AND 4TH QUARTER OPERATIONAL PLANS 2015-16** [Appendix J](#)

The Director of Finance presents to Committee the Internal Audit operational plans for the third and fourth quarters of the financial year 2015-16. The Committee are asked to note the Internal Audit operational plans.

**13. RISK MANAGEMENT AND INSURANCE SERVICES - UPDATE REPORT** [Appendix K](#)

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 note the report.

**14. CORPORATE RISK MANAGEMENT STRATEGY 2016** [Appendix L](#)

The Director of Finance submits a report to advise the Committee of the support and agreement of the Corporate Management Team for the updated Risk Management Strategy and Policy Statement. The Committee is recommended to note the report, note that the Executive will be asked to agree the Policy and Strategy in December 2015, and note that Audit and Risk Committee will be advised of the completion of the process in February.

**15. CORPORATE BUSINESS CONTINUITY MANAGEMENT POLICY AND STRATEGY 2016** [Appendix M](#)

The Director of Finance submits a report to advise the Committee of the support and agreement of the Corporate Management Team for the latest update to the Business Continuity Management Policy Statement and Business Continuity Management Strategy. The Committee is recommended to note that Corporate Management Team approved the 2016 Corporate Business Continuity Management Policy Statement, note that the Executive will be asked to agree the Policy and Strategy in December 2015, and note that Audit and Risk Committee will be advised of the completion of the process in February.

**16. INTERNAL AUDIT REVIEW - VERBAL UPDATE**

The Head of Risk Management and Internal Audit will give a verbal update on the recent reviews of Internal Audit, and Risk Management & Insurance Services.

**17. 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, FIRST AND SECOND QUARTERS  
2015-16 APPENDIX B1

**18. INTERNAL AUDIT UPDATE REPORT FIRST AND SECOND QUARTERS 2015-16** **Appendix B1**

The Director of Finance submits a report to present to Committee a summary of Internal Audit work completed in the first and second quarters of the financial year 2015-16; that is between 1<sup>st</sup> April and 30<sup>th</sup> September 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 note the key issues identified in the report.

**19. ANY OTHER URGENT BUSINESS**