

Coventry City Council

Minutes of the meeting of the Audit and Procurement Committee held at

4.00 pm. on 23 September 2013

Present:

Committee Members: Councillor Sweet (Chair)
 Councillor Bains (Deputy Chair)
 Councillor Harvard
 Councillor Sandy
 Councillor Sawdon
 Councillor Thay (Substitute for Councillor B Singh)

Employees (by Directorate):

Resources: P Baggott, M. Burns, P Jennings, S Mangan
 H. Peacocke

External Auditors:
(Grant Thornton)

J Gregory, P Harvey, T Parks

Public business

42 Apologies

Councillor B. Singh

43. Declarations of Interest

There were no declarations of interest.

44. Minutes of previous meetings of the Audit and Procurement Committee

The Minutes of the Audit and Procurement Committee held on 5 August and 19 August 2013 were agreed and signed as a true record.

Matters arising: the Committee considered the recommendation for Paperless meetings approved on 19 August 2013 and discussed whether to trial this for the next Committee meeting. Members agreed that if no papers were issued that each member should be given an i-pad in order to electronically access papers for meetings.

45. Exclusion of the Press and Public

RESOLVED to exclude the press and public under Section 100(A)(4) of the Local Government Act 1972 relating to the private reports at items 11 and 12 on the agenda on the grounds that:

- item 11 involved the likely disclosure of information defined in Paragraphs 1, 2, 3 and 5 of Schedule 12A of the Act as it contained information relating to any individual, information likely to reveal the identity of an individual, information relating to the financial or business affairs of any particular person (including the authority holding that information), and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings and

- item 12 involved the likely disclosure of information defined in Paragraph 3 of Schedule 12A of the Act as it contained information relating to the financial or business affairs of any particular person (including the authority holding that information) and that in all circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

46. **Outstanding Issues and Work Programme 2013/14**

The Committee considered the report of the Executive Director, Resources on outstanding issues and the Work Programme 2013/14.

It was noted that items 8 and 9 were on the agenda for this meeting. It was agreed to reschedule the October meeting to 21 October (because of a Labour Group seminar). The Committee considered the work programme for the November, December and January meetings and agreed to allocate some of the December items to November, the remainder to January and cancel the December meeting.

RESOLVED that the outstanding issues and The Work Programme (2013-14), as amended, by agreed by the Committee.

47. **Audit Findings Report, 2012/13**

The Council's external Auditors, Grant Thornton presented their Audit Findings Report for the financial year 2012/13.

The key messages arising from the audit of the Council's financial statements were:

- there are no unadjusted misstatements. All adjustments identified during the audit have been made within the final set of financial statements.
- the audit did not identify any material misstatements.
- the draft accounts were of good quality and an improvement on previous years
- there has been a significant reduction in the number of audit adjustments required.

The Committee considered the findings from the external auditors and congratulated Finance staff on the Report received.

RESOLVED that the Committee approve the Audit Findings Report 2012-13 as presented by the Council's external auditors.

48. **Statement of Accounts 2012/13**

This report was presented alongside the External Auditor's Audit Findings Report which detailed the key changes to the draft Statement of Accounts considered by the Audit and Procurement Committee in July. The changes had been agreed between Grant Thornton and the Executive Director of Resources.

The meeting noted that the Council had delegated authority for approval of the Statement of Accounts, including the Annual Governance Statement to the Audit & Procurement Committee. The Committee considered the audited 2012/13 Statement of Accounts and Annual Governance Statement, incorporating any agreed changes to the draft accounts which came before them in July.

The Committee also considered the letter of representation from the Executive Director, Resources, to the Council's external auditors, giving his assurance regarding the Statement of Accounts and the Annual Governance Statement.

RESOLVED that the Audit & Procurement Committee approve the final 2012/13 Statement of Accounts, the Letter of Representation to the Council's auditors and the Annual Governance Statement.

49. **Revenue Monitoring Report and Corporate Capital Monitoring and Treasury Management Report 2012/13**

The Committee considered the report from the Executive Director, Resources, on the first quarter forecast outturn position for revenue and capital expenditure and the Council's treasury management activity in the first quarter of 2013/14.

The forecast for 2013/14 was a revenue overspend of £4m. This compared to a forecast balanced revenue position at the same point in 2012/13 and an outturn underspend in 2012/13 of £3.5m. The Committee noted the actions agreed by Cabinet on 3 September to bring this position into balance.

Capital spending in 2013/14 was projected to be £77.9m, a net increase of £14.1m compared to the £63.8m February Budget Setting figure. This increase comprised £8.4m expenditure rescheduled from 2012/13, £11.3m new spending approvals, £5.5m rescheduling of expenditure into 2013/14 and a small underspend of £0.1m.

RESOLVED that the 2012/2013 Quarter 1 Revenue, Capital Monitoring and Treasury Management position be noted.

50. **Annual Audit Letter Update (Audit 2011/12)**

The Committee considered the report from the Executive Director, Resources, which identified the progress made and the current position with regard to the 4 issues raised in the 2011/12 Annual Audit Letter reported to the then Audit Committee on 31st October 2012 and considered further by the Committee on 10th April 2013. The external auditors confirmed that they were satisfied with the progress being made on these matters.

RESOLVED that the Audit and Procurement Committee agrees that the progress made and current position represent an appropriate response to the issues raised.

51. **RIPA (Regulation of Investigatory Powers Act) Annual Report**

The Committee considered the report of the Executive Director, Resources, to the Cabinet Member (Community Safety & Equalities), on the Council's compliance with the Regulation of Investigatory Powers Act 2000, as per sections 10.3 of the current Covert Surveillance & Covert Human Intelligence Sources Policy. The report also contained a revised policy, to take into account changes as a result of the amendments to the Regulation of Investigatory Powers Act as a result of the Protection of Freedoms Act 2012.

RESOLVED that the Audit & Procurement Committee notes the RIPA (Regulation of Investigatory Powers Act) Annual Report as presented.

52. **Any other items of public business which the Chair decides to take as matters of urgency because of the special circumstances involved**

None.

Private Business

53. Confirmation of the minutes of the meeting held on 24 July 2013.

The minutes were confirmed as a true record of the proceedings of the meeting and signed by the Chair. The Chair reported that the Cabinet Member for Strategic Finance and Resources had approved the Committee's recommendations in this matter.

54. Procurement – Monthly Progress Report

The Committee received a Briefing Note from the Executive Director, Resources on procurement matters. It was noted that the procurements savings to date were ahead of target.

RESOLVED that the Committee approve the September monthly progress report on procurement.

(The Meeting closed at 4.52 pm)

Signed: _____
Chair.

Date: _____