



AUDIT COMMITTEE

16 April 2014

PRESENT:

Directors

George Clark (Chair)
Robert Buckley
Mick Davison
Eileen Gill
Joachim Moussounda Mouanda
Peter Mole

Advisers

Jon Mallen-Beadle	Managing Director
Neil Bouch	Director of Customers and Communities
Natalie Hewitt	Head of Corporate Services
Deborah Clark	Audit and Risk Manager, Gateshead Council
Mick Thompson	KPMG
Stuart Gibson	Governance and Risk Officer

Apologies

Helen Hall

1 MINUTES

The minutes of the meeting of the committee held on 14 January 2014 were approved as a correct record.

2 MATTERS ARISING

It was noted that the report on Board Champion arrangements will be submitted to the Board.

3 EXTERNAL AUDIT STRATEGY AND PLANNING MEMORANDUM

KPMG, the Company's external auditors, have produced their external audit strategy and planning memorandum for the financial year ending 31 March 2014, a copy of which was submitted.

RESOLVED – That the External Audit Strategy and Planning Memorandum be approved.

4 STRATEGIC RISK REGISTER

The Board, at its meeting held on 11 November 2010, approved an updated Strategic Risk Register following a review of risk management by Price Waterhouse Coopers.

The Board, at its meeting held on 8 July 2010, approved an updated Risk Management Policy. The Policy requires the strategic risk register to be reviewed by the Board.

The Board, at its meeting on 21 March 2014, agreed that future Strategic Risk Registers be scrutinised by this committee prior to being presented to the Board for approval. The register was also presented in an amended format.

An updated Risk Register was submitted.

RESOLVED – That the Board be recommended to approve the updated Strategic Risk Register, subject to the following minor amendments: -

- SR1 – Planning control 2 to read 18/19 November 2014
- SR4 – Existing control 1 – remove date

5 2014/15 INTERNAL AUDIT PLAN AND STRATEGY

The Chief Internal Auditor has produced an Internal Audit Strategy Statement for 2014-2017 which includes the Annual Plan for 2014/15. The plan is based upon a requirement of 196 audit days (1,470 hours) which is the same as 2013/14.

- RESOLVED –
- (i) That the Internal Audit Plan for 2014/15 be approved, subject to the management indicator 'Number of audit recommendations implemented' being amended to 'Number of audit recommendations implemented by due date'.
 - (ii) That in future, low priority internal audits be carried out at the end of the programme to enable higher priority audits to be completed before year end.
 - (iii) That a schedule of audits be submitted to the next meeting of the committee.

6 2013/14 INTERNAL AUDIT PLAN – PROGRESS REPORT

The committee received details of the year end position of the Internal Audit Service against the audit plan for the financial year 2013/14.

As at 31st March 2014, 125% of actual to planned hours had been completed. This is in excess of the target for the year but does include hours for audits brought forward from 2012/13.

At the year-end, 19 final and two draft reports had been issued and a further one audit is currently in progress and due to be completed soon.

- RESOLVED – (i) That the information be noted.
- (ii) That targets be set for implementing high, medium and best practice recommendations.

7 DATE AND TIME OF NEXT MEETING

The next meeting of the committee will be held on Monday 30 June 2014 at 9.30am at Gateshead Civic Centre.

8 DATE AND TIME OF FUTURE MEETINGS 2014/15

RESOLVED – That the following schedule of meetings of the committee during 2014/15 be approved: -

- Wednesday 15 October 2014 at 2pm
- Tuesday 13 January 2015 at 2pm

9 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED – That the press and public be excluded from the meeting during consideration of the remaining business in accordance with Category 4 of the Company's Access to Information Rules.