

TEWKESBURY BOROUGH COUNCIL

**Minutes of a Meeting of the Audit Committee held at the Council Offices,
Gloucester Road, Tewkesbury on Wednesday, 25 June 2014 commencing
at 2:00 pm**

Present:

Chairman
Vice Chairman

Councillor M Dean
Councillor R E Allen

and Councillors:

Mrs K J Berry, Mrs J E Day, Mrs S E Hillier-Richardson (Substitute for A L Mackinnon)
and A C Tugwell

AUD.3 ANNOUNCEMENTS

- 3.1 The Chairman welcomed Peter Smith, Audit Manager for Grant Thornton, to the meeting. The Audit Manager advised that Alex Walling had been appointed as the new Engagement Lead for the Borough Council but unfortunately she had not been available for this meeting.
- 3.2 The evacuation procedure, as noted on the Agenda, was advised to those present.

AUD.4 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

- 4.1 Apologies for absence were received from Councillors A L Mackinnon and D J Waters. Councillor Mrs S E Hillier-Richardson would be acting as a substitute for the meeting.

AUD.5 DECLARATIONS OF INTEREST

- 5.1 The Committee's attention was drawn to the Tewkesbury Borough Council Code of Conduct which was adopted by the Council on 26 June 2012 and took effect from 1 July 2012.
- 5.2 There were no declarations made on this occasion.

AUD.6 MINUTES

- 6.1 The Minutes of the meeting held on 19 March 2014, copies of which had been circulated, were approved as a correct record and signed by the Chairman.

AUD.7 GRANT THORNTON PROGRESS REPORT

- 7.1 Attention was drawn to Grant Thornton's progress report, circulated at Pages No. 9-23, which set out the progress which had been made in relation to the audit plan, together with any emerging national issues and developments that might be relevant to the Borough Council. Members were asked to consider the report.
- 7.2 Members were informed that Grant Thornton had completed the interim work in relation to the accounts audit and had identified the detailed work for its visit to the

Borough Council which would take place once the accounts had been finalised. In terms of emerging issues, Grant Thornton had published guidance to assist local authority Audit Committee Members in understanding the authority's financial statements so that they could make a judgement as to whether the accounts should be approved. Based on the queries received from practitioners and auditors, Grant Thornton had also compiled a list of the top issues to consider during the closure of the 2013/14 accounts, set out at Pages No. 16-17 of the report. Page No. 18 referred to a bulletin which had been issued by CIPFA's Local Authority Accounting Panel in relation to the accounts which raised a number of issues. Reference was also made to the Audit Commission briefing, based on date from its value for money profile, which talked about the cost of waste in terms of collection and disposal, as well as Government guidance on the costs and benefits of local Government partnerships. Grant Thornton published an annual report in each of the health, local government and police sectors and in 2014 it had issued a publication on local governance entitled 'Working in Tandem', a copy of which had been sent to the Chief Executive and the Finance and Asset Management Group Manager. Grant Thornton was also involved in organising and supporting events for local government clients and the final page of the report set out examples of such events.

- 7.3 A Member indicated, and it was noted, that there was a typographical error at Page No. 16, bullet point 3, as follows: 'Is your programme of revaluations ~~is~~ sufficiently up to date...'. A Member went on to raise concern that no explanation had been provided for the changes to the Borough Council external audit team. The Audit Manager explained that a former Grant Thornton employee was now working for Tewkesbury Borough Council in the Finance department and, as such, there was a requirement under ethical and independent guidance to consider whether the rest of the audit team had a conflict of interest. He explained that himself and the Engagement Lead, Peter Barber, had worked with that particular employee for over 10 years and the guidance recommended that the audit team should be changed in order to ensure that there was no perceived conflict. Alex Walling had replaced Peter Barber as the Engagement Lead and Peter Smith would also be replaced as Audit Manager, however, as his replacement did not take up her post until the end of the month, he was able to represent Grant Thornton at the current meeting on the basis that he would have no continuing involvement with the detail of the audit and he had not been involved for the past few weeks. The Member went on to indicate that this had raised a potential issue about the approach taken in relation to the management of the engagement process between Grant Thornton and the Council and he sought clarification as to how interaction took place and Grant Thornton's approach to dealing with Members and the authority. The Borough Solicitor indicated that it was her understanding that the representatives from Grant Thornton met regularly with the S151 Officer and the Chief Executive. She agreed that the Audit Committee should have been notified of the changes in representation but felt that it should be borne in mind that it was right and proper for the Chairman of the Audit Committee to have a direct relationship with Grant Thornton and an entitlement to meet with representatives without Officers present, although she stressed that this was not what had happened in this instance. The Audit Manager provided assurance that Grant Thornton met with Officers on a quarterly basis as had been considered appropriate when Grant Thornton had first been appointed as external auditors; Grant Thornton would be willing to meet more, or less, regularly to suit the needs of the Council. Grant Thornton also met with Audit Committees outside of the formal Committee setting, as they did with other clients, and he indicated that the representatives would be happy to do whatever was best for the Council. The Member recognised that this was the case, however, he felt that actually reaching an appropriate level of respect and interaction with Members was a different thing entirely and nobody should feel as though they were being bypassed in any way. A Member noted that the report on the Review of Effectiveness of Internal Audit, due to be considered later on the

Agenda, provided further information about how the relationship worked and communication included monthly Lead Member updates. In addition the previous Audit Committee Chairman had met regularly with Grant Thornton and the Policy and Performance Group Manager for personal briefings and he had relayed any important messages to the Committee prior to its next meeting. The Member who had raised the concern indicated that he had made a general comment so that steps were put in place to ensure that the relationship was not a 'de facto' one and that Members were shown an appropriate level of respect. He was keen to stress that, just because high level meetings were held on a regular basis, it should not be taken as read that Members understood, or that they would be happy with the communication about a decision.

- 7.4 Having considered the information provided and views expressed it was
RESOLVED That the Grant Thornton progress report be **NOTED**.

AUD.8 GRANT THORNTON AUDIT PLAN 2013/14

- 8.1 Attention was drawn to Grant Thornton's Audit Plan report, circulated at Pages No. 24-40, which set out the Audit Plan for the year ended March 2014. Members were asked to consider the information provided.
- 8.2 The Audit Manager explained that two significant risks had been identified as default risks which were applicable to all clients; the presumed risk that revenue may be misstated due to the improper recognition of revenue; and the presumed risk that the management over-ride of controls was present in all entities. Whilst these risks did not reflect upon the Council, they were relevant. In terms of risks which were directly relevant to the Borough Council, a number of areas had been identified based on what were perceived as significant parts of the accounts: operating expenses; employee remuneration; welfare expenditure; and, property, plant and equipment. As part of the Audit Plan, Grant Thornton also worked on group accounts such as the Tewkesbury Swimming Bath Trust. The Audit Commission required that the external auditors issue a Value for Money conclusion on whether the Council had put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. This was assessed against two criteria specified by the Audit Commission: arrangements for securing financial resilience; and arrangements for challenging how the organisation secured economy, efficiency and effectiveness. Grant Thornton had yet to undertake its initial risk assessment to identify areas of risk but the assumption was that there were adequate arrangements in place and no specific risk areas would be identified as requiring additional work.
- 8.3 The results of the interim audit work were summarised at Pages No. 35-36 of the report and the Audit Manager confirmed that no issues had been identified which needed to be reported to the Committee based on the work which had been done so far. A list of key dates in the audit cycle was set out at Page No. 37 and culminated in the Audit Committee in September with the signing of the financial statements opinion. With regard to the audit fee, the scale was set by the Audit Commission and it was not anticipated that there would be any additional fees for the year. Page No. 39 included a communication plan which set out how Grant Thornton communicated with Members and Officers. The audit plan and audit findings were initially reported to Officers before being brought to the Audit Committee, however, this approach could be revised if Members felt that they

should be involved at each stage of the process. The Audit Manager also indicated that his replacement would be more than happy to attend other Committees, for instance Overview and Scrutiny Committee or Council, as and when required.

8.4 It was

RESOLVED That the Grant Thornton Audit Plan 2013/14 be **NOTED**.

AUD.9 GRANT THORNTON FEES LETTER 2014/15

9.1 Attention was drawn to Grant Thornton's fee letter, circulated at Pages No. 41-44, which set out the proposed fee, together with the scope and timing of the work for 2014/15. Members were asked to consider the fee letter.

9.2 Members were informed that the Audit Commission scale fee for 2014/15 had now been set and a letter had been sent to the Chief Executive advising him of the fee for the current financial year. The fee level set by the Audit Commission for 2014/15 was £58,995, which was the same as for 2013/14. The fee for certification of grant claims and returns varied from year to year and was on a downward trend. The only claim which the Audit Commission currently intended to instruct Grant Thornton to audit in 2014/15 was the housing benefit claim.

9.3 A Member queried what percentage of Grant Thornton's income was obtained from the public sector and was informed that this was approximately 30%. The Member went on to raise concern that the progress report, considered earlier in the meeting, set out that Grant Thornton was sponsoring the conference drinks reception at CIPFAs Annual Conference and she sought assurance that this was not funded by the fees collected from local authorities. The Audit Manager explained that this was not something which was included as a cost against a particular client, rather it was taken from the overall profit budget.

9.4 It was

RESOLVED That Grant Thornton's fees letter 2014/15 be **NOTED**.

AUD.10 INTERNAL AUDIT PLAN MONITORING REPORT

10.1 The report of the Policy and Performance Group Manager, circulated at Pages No. 45-62, summarised the work undertaken in relation to the 2013/14 internal audit plan for the period February to March 2014. Members were asked to consider the audit work completed and the assurance given on the adequacy of internal controls operating in the systems audited.

10.2 Members were advised that this was the final monitoring report for the year 2013/14 and the work undertaken was set out at Appendix 1. As at 31 March 2014, 92% of the audit plan had been completed i.e. 23 out of 25 audits. Of the two audits outstanding, the housing benefit creditors audit had now been completed and the opinion was included in Appendix 1. One fraud investigation had been brought to the attention of internal audit during the period. The work undertaken had included audits in relation to the ICT Public Services Network Code of Connection, a multi-agency network which allowed key services to communicate with other Government departments. Whilst a satisfactory level of compliance had been found, a number of recommendations had been made regarding procedural matters. The Business Transformation Group Manager would be bringing a report to the next meeting of the Committee to explain more about the Public Services Network and the process for accreditation. One of the key recommendations arising from the audit in relation to housing benefit fraud was that revenues and benefit fraud activity was reported regularly to the Audit Committee. On that basis, the Revenues and Benefits Group Manager would bring a report to the next meeting which would include an update on the impact of the transfer of the housing benefit fraud team to the Single Fraud Investigatory Service. With regard to the procurement audit, it was essential that contracts were in place for each service area due to the enhanced Local Government Transparency Code and this was something which Officers were currently trying to

facilitate. Furthermore, a formal procedure needed to be put in place for dealing with the Community Right to Challenge in the event that any bids were received.

- 10.3 The housing benefit creditors audit had investigated how benefits claimants were processed and paid and a good level of control had been found to be in place. A Member indicated that she had been approached by a local resident who was partially sighted and had requested that the benefits department send him a letter on yellow paper, however, he had been informed by the Revenues and Benefits Group Manager that this was not possible. She raised concern that this request could not be actioned as she felt that this was something the Council was required to do under the public sector equalities duty. The Policy and Performance Group Manager explained that he was aware of this issue and had been informed by the Revenues and Benefits Group Manager that the letters were printed in bulk and therefore it would be difficult to identify one particular letter. His opinion was that the request should have been accommodated and he undertook to follow this up after the meeting.
- 10.4 Audits had also been completed in relation to the monitoring of the car parking contract; the housing benefit social sector size criteria, commonly referred to as the 'bedroom tax'; and the office refurbishment. A Member questioned why the Office Refurbishment Working Group had not met between October 2013 and June 2014 given that a decision had been taken that it would meet at the end of each phase of the contract. The Finance and Asset Management Group Manager advised that the work had not yet commenced when the decision in relation to the frequency of meetings had been taken at the meeting in October. Work had started in January 2014 with the first phase being completed mid-April 2014. Unfortunately it had taken some time for the Working Group to be re-established and as such, the meeting had been arranged for June 2014 at which point Members had been appraised on the completion of phases one and two. It was hoped that the Working Group would meet again in early September as the whole project was due to be completed by the end of August, ahead of schedule.
- 10.5 An audit in respect of flood alleviation grants had been given a limited level of assurance, as set out at Appendix 2 to the report, and the Environmental Health Manager had attended the meeting to take any questions which Members might have. Members were advised that Gloucestershire County Council had given Tewkesbury Borough Council a grant of £200,000 to put towards flood alleviation schemes within the Borough, however, no formal grant terms or conditions had been put in place between the two authorities. Whilst there was a good working relationship between the Borough and County Councils, it was important that a robust mechanism was in place for monitoring the grants and establishing accountability, ownership and ongoing maintenance responsibility for each of the schemes. The grant had been put towards funding six schemes and only one had been completed to date. This was a flood bund at the Leigh which was being maintained by the Parish Council, however, there was no evidence of a formal agreement being in place at the time of the audit. The Environmental Health Manager advised that the Borough Council had another opportunity to bid for Gloucestershire County Council grants and, as such, it was important to ensure that the audit recommendations were implemented swiftly. A number of actions had been put forward in order to address Recommendation 1 - a robust mechanism for monitoring the flood alleviation grants should be established. With regard to the first recommended action, discussions had taken place with the Lead Officer at Gloucestershire County Council in terms of how the Borough Council could enter into a formal agreement for grants and he had indicated that he would be happy to work with the Borough Council to ensure compliance with this action. With regard to the second recommended action, that progress reports should be enhanced with additional details, the Environmental Health Manager explained that, to date, information had been fed back to County Council Officers in a format of their choosing and the audit had been useful to identify where the recording

mechanisms fell short. He was working with the audit team to ensure that proper processes were in place to capture information and this would be shared with the Lead Officer at the County Council. He went on to advise that, in respect of the third recommended action, the progress of the partnership schemes had been reported to the Flood Risk Management Group at its meeting on 16 June and it was proposed to continue to provide updates at each meeting. This would also form part of the quarterly report to the Overview and Scrutiny Committee on the progress of the Flood Risk Management Group. With regard to the fourth recommended action, the Lead Officer at the County Council had confirmed that he was happy to provide regular reports in respect of the schemes which the County Council was leading on. Electronic project folders had now been set up within the drainage drive and these would be kept up to date with relevant documentation which complied with recommended action five. Recommended action six, a review of the capital/revenue split and use of cost codes for the work undertaken in conjunction with financial services, had been noted and would be implemented in due course. In terms of Recommendation 2 - accountability, ownership and ongoing maintenance responsibility should be established for each of the schemes and agreements but in place, the Environmental Health Manager explained that the flood bund scheme at the Leigh had been driven by a community group and it had always been envisaged that it would be maintained by that group going forward. The group had confirmed that it would be happy to enter into an agreement to ensure that this was the case.

- 10.6 In response to a Member query, clarification was provided that, despite the lack of formal grant terms, there had been no adverse impact upon payments or projects. A Member questioned whether the report on the progress of the partnership schemes which was provided to the Overview and Scrutiny Committee was the same report that was taken to the Flood Risk Management Group. In response the Environmental Health Manager explained that the Flood Risk Management Group had been established with the primary purpose of overseeing the Flood Response Action Plan which had been compiled following the floods in 2007. The Flood Response Action Plan had been completed earlier in the year and a report had subsequently been taken to the Overview and Scrutiny Committee meeting recommending that the Flood Risk Management Group continue to meet and that it would provide regular reports to the Committee on progress against its work plan. In addition to the updates on the partnership projects, the Flood Risk Management Group received updates and information in relation to a range of flood risk matters including the internal work on the watercourses owned by the Council, other grants etc. The reports received by the Flood Risk Management Group were summarised in the report which was taken to the Overview and Scrutiny Committee. The Member went on to query who summarised the report and whether the terms and conditions between the Borough and County Councils could be formalised by the Flood Risk Management Group, or whether this needed to be done by another Committee of the Council. The Environmental Health Manager reiterated that the report taken to the Overview and Scrutiny Committee was a summary of what had been considered by the Flood Risk Management Group. He was responsible for writing the report to the Committee which was approved by the Environmental and Housing Services Group Manager. The Borough Solicitor indicated that, if a legal contract was required, this would be picked up operationally and would not need to go before a Committee. If it came to light that this was not being done then the matter would be taken to the Executive Committee. The Member raised concern that the Executive Committee had not been informed since this issue had been identified and she was advised that the problem had been picked up by the audit and was being monitored as a result. The audit had provided an opportunity to correct the issue and the Executive Committee would only get involved if Officers failed to take steps to do this. The Policy and Performance Group Manager clarified that the audit would be subject to follow-up by internal audit and would be

brought back to the Audit Committee in due course.

- 10.7 With regard to a query in respect of the corporate improvement work on the contract registers which had been programmed for quarter 1 2014/15, the Policy and Performance Group Manager explained that this was being facilitated by the internal audit team and had been discussed by the Corporate Leadership Team earlier that morning. It was a requirement of the Local Government Transparency Code (2014) which had been highlighted as a significant governance issue within the Annual Governance Statement. The internal audit team was currently working to pull the contract registers together; he provided assurance that the Committee would be notified should there be any obstructions going forward.
- 10.8 A Member sought further information regarding the fraud investigation. The Policy and Performance Group Manager advised that this had related to the electoral registration annual canvass. The issue had been identified by the electoral registration team and had been referred to the Police for investigation. The Borough Solicitor clarified that the investigation had not resulted in prosecution and had instead involved a restorative justice solution. In terms of the issues this had raised for the Council, the main concern had been to ensure that there was no adverse impact on any electors. She explained that the electoral registration team had immediately remedied the situation once it had been identified and nobody had therefore been disadvantaged.
- 10.9 Having considered the information provided it was
RESOLVED That the internal audit plan monitoring report be **NOTED**.

AUD.11 INTERNAL AUDIT ANNUAL REPORT 2013/14

- 11.1 Attention was drawn to the report of the Policy and Performance Group Manager, circulated at Pages No. 63-74, which provided Members with a summary of the internal audit work undertaken for the financial year 1 April 2013 to 31 March 2014, together with an opinion on the overall adequacy and effectiveness of the organisation's control environment. Members were asked to consider the report and the assurance that, overall, a satisfactory level of internal control existed within the systems audited during the year.
- 11.2 Members were advised that the annual audit plan was compiled using a risk-based approach and was informed by governance issues and work relevant to the production of the Annual Governance Statement; work on fundamental financial systems; work of a service-based nature; corporate improvement work; follow-up work; and consultancy and advice. This approach resulted in a comprehensive range of audits that were undertaken over the course of the year to support the overall opinion on the control environment. In compliance with the Public Sector Internal Audit Standards (PSIAS), regular monitoring reports of internal audit activity were presented to the Audit Committee on a quarterly basis. A list of the audit work undertaken in the year was set out at Page No. 65, Paragraph 2.2 of the report. There was one outstanding audit from the 2013/14 audit plan in relation to risk management. A new corporate risk register was in the process of being compiled and would form part of the performance management report for quarter 1 2014/15. The implementation of the register would support the Council's existing risk management arrangements. In addition to this work, the internal audit team also undertook a variety of corporate improvement work initiatives and the audit plan included an allocation of days for work of this nature. Managers were aware of the allocation and could request internal audit to assist with areas of work that needed to move forward. During 2013/14 this had included procurement; customer service standards; 'Selling to the Council' guide; update of the Business Continuity Plan; and the tree management projection plan. The team was also represented on key corporate groups in order to keep abreast of emerging issues.

- 11.3 In terms of the opinion on the overall adequacy of the control environment, Members were informed that internal audit provided a split opinion which meant that individual opinions were given for different parts of the system being audited. A total of 65 opinions had been issued during 2013/14, the majority of which had been good or satisfactory. Two limited opinions had been issued, one in relation to the audit of the flood alleviation grants and the other in respect of the proposed action to produce a corporate risk register. There had been one fraud incident brought to the attention of internal audit during the year, which had been discussed under the previous Agenda item, and the Monitoring Officer had confirmed that no allegations had been reported through the Council's Whistleblowing Procedure.
- 11.4 The performance monitoring information for achievement against the audit plan was based on the number of completed audits against the number of planned audits. The outturn for the 12 month period was 92% which was above the industry benchmark of 90%. An assessment against PSIAS demonstrated that internal audit was broadly compliant. An action plan to strengthen arrangements had been produced but there were no material areas of concern. The team had now started work on the 2014/15 audit plan, which had been approved by the Committee in March, and included a number of key areas where there was significant change to current systems i.e. new leisure centre, garden waste database, recycling, payroll self-service, behaviours framework, individual electoral registration. Members were advised that any audit activity undertaken on health and safety would now be formally reported to the Audit Committee. The Council's Environmental Safety Officer would be seconded to internal audit and would report using the internal audit methodology when undertaking this work. Corporate improvement days included the provision of support to the Revenues and Benefits Improvement Programme which was a significant piece of work. CIPFA had recently issued an updated document on good practice and evaluating the effectiveness of the Committee which would be brought to the Committee for evaluation during 2014/15. Based upon the work undertaken during the year, internal audit could provide reasonable assurance that there was a good level of control in relation to risk; there was a risk management framework in place but this needed to be enhanced through the delivery of the corporate risk register. The internal audit opinion was one of the sources of assurance that was used to support the Council's Annual Governance Statement.
- 11.5 A Member sought clarification as to when the corporate risk register would be ready and was informed that it would be taken to the Overview and Scrutiny Committee as part of the quarter 1 performance management framework report in September 2014. It was subsequently

RESOLVED That the internal audit annual report be **NOTED**.

AUD.12 REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT 2013/14

- 12.1 The report of the Finance and Asset Management Group Manager, circulated at Pages No. 69-74, informed Members of the outcome of the annual review of the effectiveness of internal audit. Members were asked to approve the review process and to consider the outcome of the review.
- 12.2 The Council was required to review its internal audit function at least annually in order to satisfy criteria in the Accounts and Audit Regulations 2011. The effectiveness of internal audit had been reviewed to give assurance to the Audit

Committee that information provided within the internal audit annual report could be relied upon and used to inform the Council's Annual Governance Statement for 2013/13. As the basis for the review, a self-assessment had been undertaken against the checklist for assessing conformance with PSIAS. The self-assessment had been reviewed by the Council's Corporate Governance Group. The review concluded that internal audit was broadly compliant with the standards and there were no areas of material non-compliance. Nevertheless, it was recognised that the internal audit function could be strengthened further and an action plan had been produced for that purpose, attached at Appendix 1 to the report.

- 12.3 A formal review of the effectiveness of the Audit Committee had last been undertaken in 2010 and had been based upon a CIPFA publication 'A Toolkit for Local Authority Audit Committees'. During the latter part of 2013, CIPFA had issued an updated publication on Audit Committees and, included within that was an evaluation tool 'self-assessment of Good Practice'. It might be considered appropriate to undertake a review once the new membership of the Committee was 'bedded in' following Borough Council elections in 2015. In addition to the assurance work, the use of corporate improvement days had been greatly valued. The internal audit team also provided regular corporate advice on key governance areas. Performance was regularly monitored throughout the year and was reported to Members at the Audit Committee on a quarterly basis; 92% of the audit plan had been completed in 2013/14 which was an excellent achievement.

- 12.4 It was

RESOLVED That the review process for the annual review of the effectiveness of internal audit be **APPROVED** and that the outcomes of the review be **NOTED**.

AUD.13 ANNUAL GOVERNANCE STATEMENT 2013/14

- 13.1 The report of the Corporate Governance Group, circulated at Pages No. 75-95, set out the Council's Annual Governance Statement 2013/14, which Members were asked to approve.
- 13.2 In introducing the report, the Borough Solicitor explained that the Annual Governance Statement was included alongside the Council's Statement of Accounts which was due to be approved by the Audit Committee in September 2014. It provided assurance that the Council was following the code of corporate governance that it had approved and adopted, which was consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government'. The Annual Governance Statement for 2013/14 was attached at Appendix 1 to the report and included four significant governance issues which would address the need for improvements that had been identified. These significant governance issues would be monitored throughout the year and the progress would be reported to the Audit Committee. The significant governance issues identified were: compliance with the Local Government Transparency Code (2014); risk management and business continuity; information governance; and partnerships – developing a robust governance framework, which would involve providing assurance to Members that there would be effective governance arrangements in place if the Council joined Ubico and for the management of the new leisure facility and the Single Fraud Investigation Service.

- 13.3 It was

RESOLVED That the Annual Governance Statement 2013/14 be **APPROVED**.

The meeting closed at 3:12 pm

