TEWKESBURY BOROUGH COUNCIL

Minutes of a Meeting of the Audit Committee held at the Council Offices, Gloucester Road, Tewkesbury on Wednesday, 30 September 2015 commencing at 2:00 pm

Present:

Chairman	Councillor R Furolo
Vice Chairman	Councillor Mrs H C McLain

and Councillors:

K J Cromwell, A J Evans, Mrs P A Godwin, B C J Hesketh and Mrs S E Hillier-Richardson

AUD.15 ANNOUNCEMENTS

15.1 The evacuation procedure, as noted on the Agenda, was advised to those present.

15.2 The Chairman welcomed Alex Walling, Engagement Lead from Grant Thornton, to the meeting. It was noted that David Johnson, Audit Manager for Tewkesbury Borough Council from Grant Thornton, would also be attending the meeting but was running late.

AUD.16 DECLARATIONS OF INTEREST

16.1 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.

16.2 There were no declarations made on this occasion.

AUD.17 MINUTES

17.1 The Minutes of the meeting held on 24 June 2015, copies of which had been circulated, were approved as a correct record and signed by the Chairman.

AUD.18 GRANT THORNTON AUDIT FINDINGS 2014/15

18.1 Attention was drawn to Grant Thornton's report, circulated at Pages No. 12-45, which set out the audit findings for the Council for 2014/15. Members were asked to consider the report.

18.2 Alex Walling, Engagement Lead from Grant Thornton, explained that the report highlighted the key findings from Grant Thornton's audit of the Council's financial statements for the year ended 31 March 2015. Under the Audit Commission's Code of Practice, Grant Thornton was required to report whether, in its opinion, the Council's financial statements represented a true and fair view of the financial position, its expenditure and income for the year, and whether they had been properly prepared in accordance with the Chartered Institute of Public Finance and

Accountancy (CIPFA) Code of Practice on Local Authority Accounting. In addition to this work, Grant Thornton was also required to reach a formal conclusion on whether the Council had put into place proper arrangements in terms of the Value for Money (VFM) conclusion.

18.3 Members were advised that today was the deadline for issuing opinions and by the end of the meeting the Statement of Accounts 2014/15 and Letter of Representation would both be approved and posted online. It was anticipated that an unqualified opinion would be issued in respect of the financial statements which meant that they represented a true and fair view. The accounts contained only a small number of errors, the majority of which had been adjusted by management, and the working papers continued to be of good quality with staff responding promptly to all queries. One area which had been flagged up was bad debt provision for housing benefit; this was not an error but it was on the low side, particularly given the move towards Universal Credit. No adjustments had been identified affecting the Council's reported financial position which was very positive. In terms of VFM, Grant Thornton proposed to give an unqualified conclusion again this year. One area which had been highlighted for Tewkesbury Borough Council, and the majority of other local authorities, was the longer term financial position of the Council. Whilst there were no issues with the arrangements within the Council, there was a potential overreliance on New Homes Bonus which was a concern given that there were so many unknowns going forward. There had been no issues with the whole accounts and no significant weaknesses had been identified within the internal controls. A small number of recommendations had been made and were set out at Appendix 1 to the report. The Engagement Lead thanked the Finance team and reiterated that the arrangements in place at the Council were generally very good, the working papers were excellent, and the team was very prompt in responding to audit queries.

18.4 In drawing attention to Page No. 20 of the report, the Engagement Lead explained that there were two presumed significant risks which were applicable to all entities, whether corporate or public sector: improper revenue recognition, as there was a presumed risk that revenue may be misstated, and management override of controls. The audit work undertaken had not identified any issues in those regards. Operating expenses and employee remuneration had been identified as 'other' risks, and detailed testing was carried out due to the amount of transactions and large figures involved. No significant issues had been identified aside from it being flagged up that remuneration for one Officer had been erroneously omitted from senior employee remuneration. Pages No. 22-23 of the report looked at the policies, estimates and judgements set out in the accounts and, whilst no significant issues had been found, there was an 'amber' warning around bad debt provision; this was an estimate and something which Officers might like to consider for the future, particularly in respect of housing benefit and Universal Credit. Page No. 25 of the report set out the other areas which Grant Thornton was required to communicate when approving the accounts e.g. matters in relation to fraud, non-compliance with regulations, confirmation requests from third parties. No significant issues had been identified in respect of internal controls. Page No. 28 of the report set out the adjusted and unadjusted misstatements and Members were informed that it was quite an achievement that none had been required in 2014/15. Misclassifications and disclosure changes were included at Page No. 29 and set out the details of two disclosures in respect of senior officer remuneration and minor changes to the financial statements to improve presentation e.g. ensuring cross-references to other notes within the accounts were correct.

18.5 Page No. 31 of the report set out the areas covered in the VFM conclusion which was based on ensuring that the Council had proper arrangements in place for securing financial resilience and challenging how it secured economy, efficiency and effectiveness. It was proposed that, from 2015/16 onwards, the VFM conclusion would look at slightly different areas: finance; partnership working, a growing area in the public sector; and decision making. A document was currently out for consultation which closed later that day. Overall, the work had highlighted that the Council managed its finances effectively, had a relatively high level of reserves and had managed its expenditure to achieve an underspend against its original budget, whilst delivering its savings targets. The Council's Medium Term Financial Plan had gaps in future years for identified savings and there was a potential overreliance on a single source of income with the New Homes Bonus, which was something to be aware of. Page No. 32 onwards provided more detail around the areas which Grant Thornton had been asked to look at by the Audit Commission with the final fees charged for the audit set out at Page No. 38. Confirmation was provided that there were no significant facts or matters which impacted on Grant Thornton's independence as auditors.

18.6 A Member drew attention to the action plan, set out at Pages No. 42-45 of the report. She noted that the first recommendation related to the monitoring of the method for calculation of bad debt provisions and she queried where this was reported. The Finance and Asset Management Group Manager confirmed that it was monitored internally by management but he was happy to report to the Committee, if Members so wished. The Member indicated that she would like an update in six months' time given that it was a recurring issue within Grant Thornton's report. With regard to the Council's reliance on New Homes Bonus, a Member indicated that the policy statement he had read suggested that the New Homes Bonus was very likely to continue and he queried at what point it would be considered acceptable to build in that assumption. The Finance and Asset Management Group Manager explained that there had been a lot of rumours about potential changes over the last 12 months but it was not necessarily the case that New Homes Bonus would end in totality as that would have a significant impact on a number of district councils. Notwithstanding this, decisions could only be made based on current knowledge until the Council was officially advised of any changes. Officers took a prudent view on the amount of income which was likely to be received; £600,000 was currently included in the budget but over £800,000 had been received which gave a significant buffer to be able to react to any changes in Government policy. Housing was a big issue for the Government and the Council should be in a good position to benefit from the New Homes Bonus scheme if it was not amended significantly. Members would be updated as soon as a definite message was received by the Government. The Member expressed the view that 'overreliance' was an overly critical word to use and the Engagement Lead indicated that the intention was simply to flag up the uncertainty about the future of New Homes Bonus. The Finance and Asset Management Group Manager confirmed that he had no issue with it being highlighted as a potential risk and he felt that it was important that the risk be acknowledged by both Officers and the auditors.

18.7 The Chairman offered his congratulations to the Finance team on a very positive report and thanked them for their hard work on behalf of the Audit Committee. Accordingly it was

RESOLVED That Grant Thornton's audit findings 2014/15 be **NOTED**.

AUD.19 LETTER OF REPRESENTATION

19.1 Attention was drawn to the Section 151 Officer's Letter of Representation on the financial statements for the year ended 31 March 2015, which had been circulated at Pages No. 46-48. Members were asked to consider the letter.

19.2 The Finance and Asset Management Group Manager indicated that, as the Council's Section 151 Officer, he was required to write a Letter of Representation to the external auditors which outlined the principles on which the accounts were based, and confirmed compliance with the law, as well as disclosing any fraudulent activity that may have taken place. The letter also confirmed that the Section 151 Officer had not played an active role in the production of the accounts and so could perform his Section 151 duties independently.

19.3 In response to a query, Members were informed that there had been no significant changes to the Letter compared to the one which had been approved the previous year. Accordingly, it was

RESOLVED That the Letter of Representation be **APPROVED** and signed by the Section 151 Officer.

AUD.20 STATEMENT OF ACCOUNTS 2014/15

20.1 The report of the Finance and Asset Management Group Manager, circulated at Pages No. 49-147, set out the Statement of Accounts for 2014/15. Members were asked to approve the Statement of Accounts as attached at Appendix 1 to the report.

20.2 The Finance Manager explained that the Statement of Accounts was a statutory document which demonstrated the Council's financial position at the end of the financial year. In line with the revised Accounts and Audit (England) Regulations 2011 guidelines, approval of the accounts was now made by the Section 151 Officer by 30 June, the accounts were then audited and amended, if necessary, by 30 September before the Section 151 Officer signed the accounts again. Those accounts were then approved by the Audit Committee and signed by the Chairman.

20.3 In terms of income and expenditure, Members were advised that working balances had remained at £450,000 and the Council had underspent against its net budget by £78,000 in the year. In terms of the overspends, additional costs had been incurred as a result of savings plans not being met, most notably in respect of staff savings as the Council now had a much smaller workforce and a lower turnover of staff; a £94,000 one-off cost was associated with the transfer of Waste Services to Ubico and the resultant release of the Council from the rental contract for the Swindon Road Depot; there had been an overspend as a result of benefit claims expenditure being higher than budgeted, and it was noted that the Council had not been able to process all claims in order to reclaim the total amount paid out from Government subsidy. With regard to underspends, grant funding had not been fully utilised; additional income had been generated through trade waste and garden waste; income from planning and land charges was above budget; and there had been additional recovery of Council Tax overpayments relating to previous years. The Council had also released earmarked reserves from the previous year which had been set aside to fund future expenditure but had subsequently not been required in full, however, the Council had also recognised an additional requirement for future reserves which had been approved by Executive Committee in July 2015. This had resulted in a change of £78,000 which matched the underspend for the year and, as such, there was no change in the working balances held at year end.

20.4 The Finance Manager went on to explain that the total net worth of the Council had decreased by £4.2M to £1.8M. The decrease in worth was summarised in the Movement in Reserves Statement, contained within the Statement of Accounts. One of main factors was an adjustment relating to the accounting for business rates due to the impact of a large refund to Virgin Media which had a successful appeal against the rateable value that had been applied dating back to 2005. Other adjustments included a reduction in the capital receipts reserve, as the Council had paid for improvements to the Council Offices and the building of the new leisure centre, and a £5.1M increase in the pension deficit as well as adjustments on the Council's fixed assets. The Council Tax collection fund balance showed a surplus of £1.3M at year end which was positive. This would be redistributed amongst the precepting bodies of Gloucestershire County Council, Gloucestershire Police and Tewkesbury Borough Council. The balance on the collection fund for business rates was a deficit of £14.9M at year end as a result of collecting less than estimated before the start of the financial year and due to the need to set aside funds to cover future appeals. Central Government was allocated 50% of the deficit; Tewkesbury Borough Council was allocated 40%; and Gloucestershire County Council 10%. In terms of capital resources, the total balance was £12.3M, including capital grants, however, after allowing for commitments, the unallocated budget available for new capital grant projects was just under £1M. The Annual Governance Statement had been approved by the Audit Committee at its meeting in June with no changes being required. It had subsequently been signed off by the Leader of the Council and the Chief Executive and had not, therefore, been re-presented to support the Statement of Accounts.

20.5 A Member noted that 55% of the Council's underspend was classed as 'other' and he sought clarification as to what sort of items this included. The Finance Manager explained that there was an extensive list and there were many fluctuations, however, these were natural underspends and overspends within departments and there was nothing significant enough to report. Accordingly, it was

RESOLVED That the Statement of Accounts 2014/15 be **APPROVED**.

AUD.21 PROSECUTION POLICY FOR THE COUNCIL TAX REDUCTION SCHEME

21.1 The report of the Revenues and Benefits Group Manager, circulated at Pages No. 148-163, set out the current position regarding the Prosecution Policy for the Council Tax Reduction Scheme. Members were asked to recommend to the Executive Committee that the revised Prosecution Policy be adopted, as set out at Appendix 2 to the report.

21.2 Members were advised that the Council was no longer required to investigate and prosecute Housing Benefit and Council Tax fraud as those responsibilities were now being carried out by the Single Fraud Investigation Service and the Crown Prosecution Service. The Borough Council still had a responsibility to investigate Council Tax Reduction Scheme Fraud, which was the replacement for Council Tax Benefit. On that basis, it was necessary to review the existing Prosecution Policy and make appropriate changes.

21.3 Referring to Paragraph 2.2 of the report, the Revenues and Benefits Group Manager explained that the main changes would remove any reference made to Housing Benefit and Council Tax Benefit and replace them with 'Council Tax Reduction Scheme'; include Council Tax Reduction Scheme offences; change the title of the Revenues and Benefits Manager to read 'Revenues and Benefits Group Manager'; make changes to the section covering administrative penalties to reflect the Council Tax Reduction penalty requirements and delete the section on collection of the penalty; and include a section on other penalties where the Borough Council could impose a penalty of £70 for cases where it was determined that fraud had not been committed and the person had either been negligent in making an incorrect statement, or had no reasonable excuse in failing to notify the Borough Council of a change in circumstances. All changes were highlighted at Appendix 2 to the report.

21.4 In response to a Member query regarding the imposition of penalties, the Revenues and Benefits Group Manager clarified that there was a new penalty which could be applied in cases where it was determined that fraud had not been committed and the person had either been negligent in making an incorrect statement, or had no reasonable excuse in failing to notify the Borough Council of a change in circumstances. The £70 penalty rate was set by the Department for Work and Pensions and could not be amended. A Member queried how this would be enforced and was advised that Officers would investigate cases as they had done previously with Council Tax and Housing Benefit when they had been able to administer penalties if appropriate. The Member went on to question whether the penalty would cover the cost of carrying out the investigation. The Revenues and

Benefits Group Manager indicated that this would depend on the length of the investigation and the amount of work that had gone into the process; if the Council had been made aware of the change of circumstances within a reasonable period then an investigation may be unnecessary and the penalty would cover the cost of Officer time, however, a full fraud investigation could cost up to £3,000. A Member asked what the likely recovery rate would be and was informed that a payment plan would be established with individuals in difficult circumstances and most did adhere to the plan. The Revenues and Benefits Group Manager did not have enforcement or collection rate figures to hand but he provided assurance that all cases were followed through and action was taken to recover penalties where appropriate. The Finance and Asset Management Group Manager indicated that an updated Prosecution Policy would assist with the recovery of outstanding debt and there would be less need for bad debt provision if more money could be recovered throughout the year.

21.5 Having considered the information provided, it was

RESOLVED That it be **RECOMMENDED TO THE EXECUTIVE COMMITTEE** that the revised Prosecution Policy be **ADOPTED** as set out at Appendix 2 to the report.

AUD.22 INTERNAL AUDIT PLAN MONITORING REPORT

22.1 The report of the Corporate Services Group Manager, circulated at Pages No. 164-204, was the first monitoring report of the financial year and summarised the work undertaken by the Internal Audit team during the period April to August 2015. Members were asked to consider the audit work completed and the assurance given on the adequacy of internal controls operating in the systems audited.

22.2 Members were advised that the Internal Audit team consisted of two full time equivalent posts. Due to maternity leave, one of the posts had been covered by a secondment arrangement, however, that employee had recently been successful in obtaining a permanent position within the Corporate Services team and a temporary resource would need to be brought in between now and the end of quarter 3. It was noted that no incidents of fraud, corruption, theft or whistleblowing had been reported during the period. As advised at previous Audit Committees, the Internal Audit team had been commissioned by Tewkesbury Town Council to undertaken its internal audit. The 2014/15 year end audit had concluded during the first quarter of 2015/16 and had been formally reported to the Town Council at its Council meeting on 29 June 2015. An audit plan had been approved and the delivery of the action plan was monitored by the Town Council's Finance Committee.

22.3 Full details of the work undertaken were attached at Appendix 1 to the report and a list of audits within the 2015/16 Audit Plan and their progress to date could be found at Appendix 2 to the report. The Corporate Services Group Manager drew attention to the Local Government Transparency Code audit set at Page No. 167 of the report. He explained that there was a Government drive to ensure that Councils were accountable for their spending and there had been a need to ensure that the relevant information was published on the Council's website in accordance with the Code. A number of days had been allocated within the 2015/16 Audit Plan and the audit had indicated that the Council was generally compliant overall. The Department of Communities and Local Government was not monitoring compliance and therefore risk was minimal, however, it had indicated that it would react if complaints were received under the Freedom of Information Act. It was noted that improvements were currently being made to the system used for recording Freedom of Information Act requests and this would be maintained by the Corporate Services team. Members were informed that a limited opinion had been issued in relation to the audit of the complaints framework. The main concerns were around the way that the data was logged as some entries were not complete; access to the log meant that there was potential for live entries to be deleted; the log did not record the date acknowledgements were sent which meant that it could not be demonstrated that they were being sent within the requisite time period; and there was no monitoring of complaints until the six monthly report was produced for the Overview and Scrutiny Committee. The Council generally received a low number of complaints but it was felt that the system for recording complaints could be more robust and that improvements could be made to allow trend analysis and corporate learning. The recommendation arising from the review was for a fundamental review of the complaints framework which would commence the following month. In response to a Member query, the Corporate Services Group Manager advised that an update would be brought to the next meeting of the Committee in accordance with the usual procedure for those audits with a limited or unsatisfactory opinion. A Member questioned whether changes would be implemented throughout the course of the review, as opposed to waiting until the review had been completed, and was advised that some things could be implemented quickly, for example, access to the spreadsheet for recording complaints, however, some actions, such as the online system for recording Freedom of Information complaints, would take longer to put in place.

22.4 With regards to the business rates audit, there was a good level of assurance that the information provided in the annual NNDR3 return was accurate and the supporting documents were good quality, which reiterated Grant Thornton's audit findings, discussed under an earlier Agenda item. In terms of the Repair and Renew Grants audit, Members were informed that approximately £570,000 had been obtained through the scheme. The Memorandum of Understanding between the Council and Defra required the Council's Chief Internal Auditor to give an audit opinion to provide assurance that invoices submitted by the Council were in compliance with the grant scheme. The Corporate Services Group Manager advised that the grants that had been reviewed had complied with the criteria of the scheme and the quarterly invoices had been raised and sent to Defra within the agreed timescales, therefore, the overall opinion was that there was a satisfactory level of control in terms of conforming to the scheme. A Member queried whether the work which had been carried out to properties would be subject to inspection and the Environmental and Housing Services Group Manager explained that, whilst some were carried out, it was impossible to inspect all of the properties so there was some reliance on the invoices provided by builders. Members were advised that a 5% inspection sample was required as a minimum and that level had been exceeded. The Corporate Services Group Manager went on to advise that the Council was required to provide a return to the Department of Communities and Local Government to confirm compliance with the conditions attached to the Disabled Facilities Grant determination. A sample of grant applications had been reviewed and it was found that they were processed in accordance with the regulations. The Overview and Scrutiny Committee had established a Working Group to review the Disabled Facilities Grants process and the Working Group had met for the first time the previous week. The Disabled Facilities Grants process was also part of the Environmental Health systems thinking review.

22.5 Members were informed that an unsatisfactory opinion had been issued in relation to the tree inspection audit. The manual records demonstrated that tree inspections had taken place in both high and medium risk land assessment areas, however, there was limited assurance as to the robustness and completeness of the inspection process as there was no clear audit trail from the land assessment to the inspection records; the manual records did not retain sufficient detailed information e.g. tree species, map co-ordinates; several areas of land were still awaiting investigation in respect of land ownership liability; tree tag reference numbers had been duplicated for different trees on the same site; and some trees had been inspected and tagged in error as the maps did not show the location of Council land. Inspection information within the Uniform system was found to be incomplete and could not be used to produce notification reports for Ubico to generate next inspection dates. The Environmental and Housing Services Group Manager provided assurance that she was working with the Asset Manager to rectify the issues and she indicated that new hardware and software was being trialled which could be used on site and could pinpoint trees to within 10cm. A Member felt that the system for reporting back to Councillors when they had raised issues with a tree needed to be improved so that they were able to keep members of the public abreast of what action was being taken. Another Member requested details of protected trees on Council land and the Environmental and Housing Services Group Manager undertook to ensure that both requests were addressed. A Member questioned how much the new equipment was likely to cost and was advised that the system which the Asset Management team was looking at could be used to manage other assets such as play areas. There would be a one-off cost of approximately £4,000 to purchase the tablets which were needed and an ongoing cost of approximately £4,000. It was understood that the tablets came with pre-loaded templates and that certain fields must be completed before the user would be allowed to move on which would address some of the issues which had been identified during the audit. In response to a query as to whether the Tree Panel could be used to carry out inspections, the Borough Solicitor clarified that the Tree Panel was in place to assess the amenity value of trees protected by Tree Preservation Orders in the event of an appeal; this was a completely different function and was unrelated to technical risk-based assessment of trees which was the focus of the audit. The Corporate Services Group Manager indicated that a progress report would be brought to the Audit Committee meeting in March 2016.

22.6 In terms of the car park audit, Members were advised that there was a satisfactory level of control in terms of the income relating to car parking tickets, permits and penalty notices being banked and allocated correctly to the general ledger, however, there was a minor issue regarding the recovery of unpaid direct debit instalments in relation to permits. The main items of expenditure claimed in relation to the car parking contracts of Security Plus and APCOA were verified for accuracy prior to payment and the contracts were well-managed and maintained. It was noted that corporate improvement work had been carried out in respect of the ICT asset inventory and fraud arrangements.

22.7 Appendix 3 to the report contained a summary of all audit recommendations and their status. The Corporate Services Group Manager explained that there was a need to consult with Group Managers as to whether the recommendations contained within the audits added value to the organisation and that was a piece of work which needed to be undertaken. In addition, he explained that it was a requirement of the Public Sector Internal Audit Standards that an independent review of the Internal Audit section be carried out every five years. It was intended that this would be implemented in the latter part of 2016 and a report would be brought to the Audit Committee setting out a brief for the review.

22.8 Having considered the information provided, it was

RESOLVED That the Internal Audit Plan Monitoring Report be **NOTED**.

AUD.23 ICT ASSET INVENTORY AUDIT

23.1 Attention was drawn to the report of the Corporate Services Group Manager, circulated at Pages No. 205-210, which asked Members to consider the progress that had been made in implementing the internal audit recommendations to improve the control over ICT assets.

23.2 Members were reminded that an ICT audit had been undertaken as part of the 2014/15 Internal Audit Plan and had concluded that there was an unsatisfactory level of control, largely due to the asset register being unfit for purpose and there being no documented procedures. This opinion had been reported to the Audit Committee on 24 June 2015 and it had been requested that a progress report be brought to the next Committee on how the control issues identified were being resolved. The ICT Manager advised that, since the review, the ICT team had worked with Internal Audit to produce a new set of procedures and an asset management spreadsheet. The main changes which had been implemented involved purchase orders being made against each individual item on the asset register along with purchase dates; disposal was now checked with Finance before collection was arranged, disposal was arranged by the helpdesk and signed off by the ICT Operations Manager; annual review of all assets would now take place and users/departments that had signed out an asset would be asked to prove the location and condition of the asset; the asset register would have a check date and would be updated when the checks were completed; checks were run before equipment was disposed of and any hard drives must have a certificate of their destruction; mobile assets now needed to be signed in and out of ICT by the department/user that required it; assets were recorded against service, individual and purchase order number; and a full check had been completed to ensure that all items on the new asset sheet were accounted for.

23.3 In response to a query, the Finance and Asset Management Group Manager advised that the Council's current Asset Management Plan ended in 2015; a new Plan had been drafted and would be taken to the Transform Working Group and Executive Committee later in the year. A Member raised concern that some items being written-off may no longer be considered as assets if they had reached a certain age and he was assured that they were now given a depreciation value or a 'life expectancy', for instance, the average life expectancy for a PC was three to five years, which enabled Officers to identify when they would be due for replacement. A Member questioned whether missing items would be covered by insurance and was advised that only the more expensive, high risk items were covered in those circumstances. The Corporate Services Group Manager advised that a follow-up audit would be undertaken over the forthcoming months.

23.4 It was

RESOLVED That the progress which had been made in implementing the Internal Audit recommendations to improve the control over ICT assets be **NOTED**.

AUD.24 HEATH AND SAFETY - RISK ASSESSMENTS AUDIT

24.1 Attention was drawn to the health and safety risk assessments audit report, circulated separately. Members were asked to consider the progress which had been made in relation to the recommendations arising from the audit.

24.2 The Environmental and Housing Services Group Manager indicated that it had been recognised that a more effective IT system was required for risk assessments, which would allow working documents and previous actions to be stored, and she confirmed that a draft system had now been put in place. All existing health and safety documents would be transferred by the end of October which would allow more effective monitoring on a regular basis. In respect of risk assessments managed by the Asset Management team, a management plan had been created to identify risk and gaps. To date, the asbestos risk gap had been identified, considered, actioned and documented on the plan. Members were advised that 25 Council-owned properties were included in the management plan; of those properties, nine were known to contain asbestos and a further two were suspected to contain asbestos. An inspection programme was now in place to monitor the identified risks. It was a similar situation in relation to Legionella and the Asset Management team was now receiving training. Risk assessments had been seen for the six properties with the potential to attract Legionella. Fire risk assessments had been commissioned since 2013; management plans were in place and would be updated by the end of October 2015. All electrical installation inspections were up to date with regard to portable appliance testing and the information would be recorded on the management plan by the end of October 2015.

24.3 Members were advised that there had been very limited risk assessments in place for grounds maintenance when it had transferred to Ubico in April 2015, however, the review of risk assessments was already part of the Ubico work plan and, therefore, work was progressing. More site specific risk assessments were being carried out for particular areas and arrangements had been made with Ubico to report back to the Council via the 'Keep Safe, Stay Healthy' Group. In relation to the gaps identified within community and economic development, risk assessment and lone working training had already taken place. A further health and safety audit would be carried out within the next six months to ensure compliance. The risk assessment training had been open to all departments and had emphasised the importance of keeping risk assessments up to date which would assist the Health and Safety Officer going forward.

24.4 In response to a query regarding the properties which contained asbestos, the Finance and Asset Management Group Manager confirmed that two of the properties were tenanted and the Asset Management team was working with the tenants to attain the level of asbestos etc. A Member asked that more detailed information be provided to the Committee about the different types of asbestos and the location of the high risk areas, and the Environmental and Housing Services Group Manager undertook to provide this following the meeting. A Member queried whether the Council obtained risk assessments from contractors and was assured that anyone procured to undertake work on behalf of the Council would be required to provide risk assessments.

24.5 It was

RESOLVED That the progress made in relation to the recommendations arising from the health and safety risk assessments audit be **NOTED**.

AUD.25 CORPORATE RISK REGISTER

25.1 The report of the Corporate Services Group Manager, circulated at Pages No. 211-220, attached the corporate risk register which Members were asked to consider.

25.2 Members were advised that the Council's overall risk management arrangements were overseen by the Corporate Governance Group and the corporate risk register, attached at Appendix 1, was a high level summary document which had been endorsed by the Corporate Leadership Team; changes to the register since the last update were highlighted in bold. It was noted that, if a devolution bid was accepted by the Government, this was likely to be a high level risk and would appear on the corporate risk register. A Member queried if there was any progress in relation to the Joint Core Strategy and was advised that Members had recently been provided with a written update which indicated that there would be hearings in December designed to hear evidence as a result of further 'homework' set by the Inspector; there had been no changes since that time. A Member raised concern that March 2016 had been set as the proposed implementation date for a number of risks contained within the corporate risk register. In response, the Corporate Services Group Manager explained that some actions would be completed by March 2016 whereas some were year-end dates intended to reflect the progress made by that time.

25.3 It was

RESOLVED That the information contained within the corporate risk register be **NOTED**.

The meeting closed at 3:45 pm