

Notes of an inquorate meeting of the ESPO Finance and Audit Subcommittee held at County Hall, Glenfield, Leicestershire on Wednesday, 9 May 2018.

PRESENT

Dr. R. K. A. Feltham CC - Leicestershire County Council (in the Chair)

Norfolk County Council
Cllr. J. Fisher

49. Minutes of the meeting held on 7 February 2018.

The notes of the meeting held on Wednesday 7 February 2018 were taken as read, confirmed and signed.

50. Declarations of interest in respect of items on the agenda.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

No declarations were made.

51. To advise of any other items which the Chairman has decided to take as urgent elsewhere on the agenda.

There were no urgent items for consideration.

52. Internal Audit Service Peer Review Outcome.

The Members present considered a report of the Consortium Treasurer informing Members of the recently conducted peer review of Leicestershire Council's Internal Audit Service. A copy of the report, marked 'Agenda Item 4', is filed with these minutes.

Members were informed the self-assessment of conformance with independent validation had been carried out through peer review. Veritau Limited, a local authority shared service company, had been chosen to undertake the independent validation of the Council's self-assessment. Resulting from the review the Council had been rated as 'generally conforms' the top rating possible.

Members present asked the contents of the report be noted.

53. Exclusion of the public.

It was agreed that under Section 100(A) (iv) of the Local Government Act 1972 the public be excluded from the meeting on the grounds that it will involve the likely disclosure of exempt information during consideration of the following items of business as defined in paragraphs 3 and 10 of Schedule 12A of the Act; and, in all

circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

54. Draft Outturn 2017-18.

Members present considered an exempt report of the Director and Consortium Treasurer outlining the draft Outturn for 2017/18. A copy of the report, marked 'Agenda Item 5', is filed with these minutes.

The exempt report was not for publication as it contained information relating to the financial or business affairs of a particular person (including the authority holding that information).

Members were updated as follows. It had been a record year despite the background of a tough market place but it was accepted the trading environment that ESPO operates in would continue to present significant challenges for the foreseeable future. Despite this, the ambition remained to achieve a £6million surplus by 2021.

Total staff costs were £619k below budget reflecting vacancies due to a number of senior staff leaving and difficulties in recruitment.

The dual running of the Optima and Gems systems had been stopped.

Members noted:

- a) the draft outturn for 2017/18;
- b) the draft outturn for 2017/18 that would be submitted at the next meeting of the Management Committee for approval.

55. Progress Against Internal Audit Plans (2017-18 and 2018-19).

Members received a report of the Consortium Treasurer outlining the quarterly progress against the 2017/18 Internal Audit Plan. A copy of the report, marked 'Agenda Item 8', is filed with these minutes.

The exempt report was not for publication as it contained information relating to the financial or business affairs of a particular person (including the authority holding that information).

Members noted that based on the high importance recommendations from the 2017-2018 audit work on General Data Protection, work had been completed on removing sensitive data from databases to satisfaction. Further work was ongoing on Data Protection training while completion rate had risen from 14% to 62% this was still below the Information Commissioners Office recommended 90% completion rate nonetheless this was still a huge positive shift, and work would be ongoing to reach the recommended 90% completion.

Members noted the contents of the report outlining the quarterly progress against the Internal Audit Plan.

56. Head of Internal Audit Service Annual Report 2017-18.

Members received a report of the Consortium Treasurer outlining the Internal Audit Service Annual Report 2017/18. A copy of the report, marked 'Agenda Item 9', is filed with these minutes.

The exempt report was not for publication as it contained information relating to the financial business affairs of a particular person (including the authority holding that information).

Members were pleased to note the positive opinions given on all three components of the 'control environment' i.e. the framework of governance, risk management and control and that LCCIAS 'generally conforms to the PSIAS, which is considered the top rating.

Members noted the contents of the Internal Audit Service Annual Report 2017/18 and recommend the report to the Management Committee for final approval.

10.50 - 11.17 am
09 May 2018

CHAIRMAN

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