

GENERAL PURPOSES AND AUDIT COMMITTEE

Meeting held on Tuesday, 25 June 2014 at 6.30pm, Committee Room F10,
Town Hall, Katharine Street, Croydon CR0 1NX.

MINUTES – PART A

Present: Councillor Matthew Kyeremeh (Chair);
Councillor Humayun Kabir (Vice Chair);
Councillors: Emily Benn, Jan Buttinger, Simon Hall, Steve O'Connell,
Tim Pollard, Mike Selva and John Wentworth.

Also in Attendance Dominic Bradley and Paul Grady (Grant Thornton), Richard Simpson
Director of Finance and Assets and Section 151 Officer,
Simon Maddocks, Head of Governance, Gary Seed, Procurement
Governance Manager and Julie Belvir, Director of Democratic and Legal
Services.

Absent: Apologies for absence were received from Councillor Carole Bonner,
Councillor Simon Hall deputised and Councillor Dudley Mead.

Additional apologies for absence were received from Non-elected
Independent members Mr Pawel Krzemienski and Mr Robert Sleeman.

A13/14 CONFIRMATION OF THE CHAIR AND VICE CHAIR

At Annual Council on 3 June 2014, nominations were confirmed for the
Chair, Councillor Matthew Kyeremeh and the Vice Chair Councillor
Humayun Kabir.

The Committee noted these appointments.

A14/14 COMMITTEE TERMS OF REFERENCE

The Committee agreed the terms of reference.

A15/14 DISCLOSURE OF INTEREST (agenda item 4)

None

A16/14 URGENT BUSINESS (agenda item 5)

None

A17/14 EXEMPT ITEMS (agenda item 6)

RESOLVED that the allocation of business between Part A and Part B of the agenda as printed be confirmed. Moved by Councillor Mike Selva and Seconded by Councillor Humayun Kabir.

A18/14 Reports from Grant Thornton (agenda item 7)

Dominic Bradley, Grant Thornton, the Council's external auditors, was in attendance at the meeting for this item.

RESOLVED to note the content of the following reports:

7.1 Audit Planning (Fee) Letter 2014/15

Officers representing Grant Thornton gave the Committee an overview of the report which relates to future financial statements. It was reported that Croydon is categorised as low risk in a high quality environment. It is not envisaged that the annual fee would change. Additional duties that fall outside the agreed contract would incur a cost.

7.2 The Audit Plan for Croydon Council

Grant Thornton officers presented information contained within the report to the Committee. It was confirmed that areas related to key/biggest risks were funding challenges. Impacts in connection with the future urban regeneration programme, consequences in relation to changes to welfare reforms and the Better Services Better Value initiative are still to be played out.

7.3 The Audit Plan for the London Borough of Croydon Pension Fund

Officers reported that they had reviewed the annual governance statement, pension and Department of Working and Pensions claims. There would be a significant risk which is inherit of every audit, these are controlled by management overrides and regulations on spending. Risks identified were due to material mistakes related to volume but did not represent a risk. Parent organisations managing the fund are unchanged and in a good position.

A19/14 Revenue and Capital Outturn Expenditure – Draft Final Accounts (1 April October 2013 – 31 March 2014) (agenda item 8)

RESOLVED: to

- 1.1 Approve the Council's draft accounts for the year 2013/14 as detailed in the previously circulated in Appendix 1 of this report;
- 1.2 Receive the report and the proposed establishment of new reserves, the provisions and changes in the levels of previously established reserves and provisions, as set out in sections 5 & 6 of the report, as recommended by the Section 151 Officer;

- 1.3 Note the progress of the Council's current Financial Strategy objectives and
- 1.4 Note the departmental outturn variances as contained within Table 2 of the report.

A20/14 Annual Governance Statement 2013/14 (agenda Item 9)

RESOLVED to:

- 1.2 Approve the Annual Governance Statement for the year 2013/14 in relation to scope of responsibility, purpose of the framework, governance framework detail and review of its effectiveness
- 1.3 Agree the statement on 'outcomes' in relation to issues raised in the 2012/13 Statement and progress to date and
- 1.4 Agree the significant governance issues identified in relation to 2013/14 and the actions being taken to mitigate those risks

A21/14 Head of Internal Audit Report 2013/14 (agenda Item 10)

The Chair concluded with support of the Committee that they would like to see an increase in the target for priority 1 and recommended that next year this should rise from 85% to 90%.

RESOLVED to note the Head of Internal Audit Report 2013/14 as detailed in appendix 1 of the previously circulated report and the overall satisfaction level of assurance of the Council's systems of internal control.

A22/14 Anti-Fraud Annual Report 2013/14 (agenda item 11)

The Committee congratulated the former Chairman Councillor Jason Cummings, Simon Maddocks, Head of Governance and the Audit Team for their continued successes including a recent nomination for a National award.

RESOLVED to note the report.

A23/14 Internal Audit Review 2013/14 (Agenda Item 12)

Richard Simpson gave the Committee assurances that all tasks were completed. All RAG performance indicators had been met. Officers were in a position to confirm that against a range of councils, Croydon was ranged better than average.

RESOLVED to note the Anti-fraud activity of the Corporate Anti-Fraud Team for the period 1 April 2013 – 31 March 2014.

A24/14 London Road Public Realm Improvement Works – Exception to the Tenders and Contracts Regulations (Agenda Item 13)

Gary Seed, Procurement Governance Manager Officers was in attendance at the meeting for this item to formally request an exemption to the tender and contracts regulations – under reg 3. It was reported that a comparison exercise had resulted in EM Highway's bid offering value for money and would see the project delivered on time.

RESOLVED to approve an exception under Reg 3 of the Tenders and Contracts Regulations to seek a single quotation from EM Highways Services Ltd under the terms of the Term Highway Maintenance Contract for all works associated with public realm improvements for London Road between West Croydon Station and Lidl.

A25/14 Change of meeting dates and related matters (Agenda item 14)

RESOLVED to:

- 1.1 approve on behalf of the Council a revised date of 15 July 2014 for the Ordinary Council Meeting;
- 1.2 approve the dates for the General Purposes and Audit Committee for the 2014/15 municipal year and
- 1.3 note the amendments to the appointments made at Annual Council on 3 June 2014.

The meeting ended at 7.31pm.