

**BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK**

**AUDIT COMMITTEE**

**Minutes from the Meeting of the Audit Committee held on Monday, 17th October, 2016 at 5.00 pm in the Committee Suite, King's Court, Chapel Street, King's Lynn**

**PRESENT:** Councillor D Pope (Chairman)  
Councillors Mrs J Collingham, J Collop, P Gidney, M Hopkins and P Kunes and T Tilbrook

**Portfolio Holder**

Councillor B Long – Leader and Portfolio Holder for Environment

**Officers:**

Gordon Adam – Auditor

Toby Cowper – Group Accountant

Kate Littlewood – Audit Manager

Dave Robson – Environmental Services Manager

**By Invitation:**

Alex Younger - Investment & Actuarial Services Manager, Norfolk Pension Service

A44 **APOLOGIES**

Apologies for absence were received from Councillors C Manning and T Smith.

A45 **MINUTES**

The minutes of the Audit Committee held on 5 September 2016 were agreed as a correct record and signed by the Chairman, subject to the following amendment:

A29 **APPOINTMENT OF VICE-CHAIRMAN**

**RESOLVED:** Councillor T Tilbrook be appointed Vice-Chairman for the meeting.

A46 **DECLARATIONS OF INTEREST**

None.

A47 **URGENT BUSINESS UNDER STANDING ORDER 7**

There was none.

**A48 MEMBERS PRESENT PURSUANT TO STANDING ORDER 34**

There were no Members present under Standing Order 34.

**A49 CHAIRMAN'S CORRESPONDENCE (IF ANY)**

There was none.

**A50 ROLE OF THE AUDIT COMMITTEE**

The Committee received a presentation on The Role of the Audit Committee from the Auditor (a copy of which is attached).

The Auditor/Audit Manager responded to questions in relation to:

- The Audit Committee meeting in private.
- Understanding how an audit was undertaken and the process involved - who decides which audits were undertaken. It was noted that a training session was scheduled for 13 February 2017.
- Corporate Tender process/rules for contracts.
- Capital Projects.
- Revenue/income.
- Annual Service Audits undertaken by the in house Audit Team.

In response to comments from Councillor Collop on the role of the Audit Committee and understanding how the audit function operated within the Council, the Chairman reminded Members that training sessions had been included as the first agenda item on all Audit Committee Agendas to ensure that the Committee was well informed.

The Chairman, Councillor Pope thanked the Auditor for an interesting and informative presentation.

**A51 PRESENTATION FROM NORFOLK PENSION FUND**

The Committee received a presentation from Alex Younger, Investment and Actuarial Services Manager from the Norfolk Pension Service (a copy of which is attached).

Alex Younger responded to questions from the Committee in relation to:

- The Borough Council's pension position compared to other authorities.

- Triennial Valuation: 3 year upfront payments produced a saving to the Borough Council. The £4.5m upfront payment to be made in April 2017 had been included in the current Financial Plan.
- The risk involved with lump sum payments.
- Potential for monthly payments to remove some of the risk.
- The Borough Council's Investment Policy.
- The Borough Council's Treasury Management Policy.
- The details of the pension note included within the Borough Council's accounts.
- The role of the actuary.
- Liabilities when an employee retired.
- Payments made to dependant/partner/children upon death of employee.
- Liabilities as the Council reduced the number of employees.
- Automatic enrolment to Borough Council's Pension Scheme.
- Pension Fund Deficit – over 20 year funding period. The upfront 3 year payment equated to 3/20ths.
- Investment in Gilts (approximately 10% of the Pension Fund).
- Investment in public equities.

The Chairman, Councillor Pope thanked Alex Younger for the informative and interesting presentation.

A52

### **BUSINESS CONTINUITY ANNUAL UPDATE**

In presenting the report, the Environmental Services Manager reminded Members that at its meeting in July 2015 the Audit Committee confirmed that it wished to receive an update each year on the Council's Business Continuity arrangements.

The report outlined the current position of the Council's Business Continuity arrangements, summarised progress made since the last update and described work that was planned to be undertaken over the coming months.

Members' attention was drawn to the following sections of the report:

- Business Continuity Management in the authority based around a framework of documents set out in 1.2 of the report.
- Threat Cards.
- Activities undertaken by the Business Continuity Officer Group since July 2015 set out in section 3.1 of the report.
- Forward Plan.

The Environmental Health Manager responded to questions from the Committee in relation to:

- CCTV Cameras – being transferred from analogue to digital. The Leader, Councillor Long advised that the process had

commenced which would produce a cost saving. The CCTV mobile control van could receive feeds from other cameras.

- Drill practices/annual exercises. It was noted that an annual desktop exercise was undertaken which had been identified by BC COG. In previous years, exercises had included threat cards, bronze plans and an e-learning package for all staff.
- King's Court Accommodation – were other organisations occupying office space included in the Borough Council's plans? It was explained that other organisations such as the Clinical Commissioning Group had their own Business Continuity Plans, but were invited to attend the annual exercise. The Audit Committee was informed that Freebridge Housing, Alive Management and Leisure were also invited to participate in business continuity exercises.

The Chairman, Councillor Pope thanked the Environmental Services Manager for the annual update and invited the Committee to consider whether it wished to receive future annual update reports.

**RESOLVED:** 1) The Committee reviewed the progress made and endorsed the approach being taken to the Council's Business Continuity arrangements.

2) The Committee confirmed it wished to receive an annual update report.

A53 **COMMITTEE WORK PROGRAMME 2016/2017**

The Committee noted the Work Programme for 2016/2017.

A54 **DATE OF NEXT MEETING**

The next meeting of the Audit Committee will take place on Monday 28 November 2016.

**The meeting closed at 6.42 pm**