

SOUTH LAKELAND DISTRICT COUNCIL

South Lakeland House, Kendal, Cumbria LA9 4UQ

www.southlakeland.gov.uk



**You are requested to attend a meeting of
the Audit Committee
on Tuesday, 9 April 2019, at 6.30 p.m.
in the Bindloss Room, Kendal Town Hall**

Committee Membership

Councillors

Matt Brereton

Sheila Capstick

Stephen Coleman (Chairman)

Tracy Coward

Eamonn Hennessy

Kevin Lancaster

Matt Severn

Note – Where relevant, agendas for Members are labelled “Private Document Pack” and contain exempt information within the papers. Any relevant pages are marked as restricted within Agendas labelled “Public Document Pack”.

Friday, 29 March 2019

Debbie Storr, Director of Policy and Resources (Monitoring Officer)

For all enquiries, please contact:-

Committee Administrator: Inge Booth

Telephone: 01539 793190

e-mail: committeeservices@southlakeland.gov.uk



AGENDA

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PART I

1 APOLOGIES

To receive apologies for absence, if any.

2 MINUTES

To authorise the Chairman to sign, as a correct record, the minutes of the meeting of the Committee held on 5 December 2018.

5 - 14

3 DECLARATIONS OF INTEREST

To receive declarations by Members of interests in respect of items on this Agenda.

Members are reminded that, in accordance with the revised Code of Conduct, they are required to declare any disclosable pecuniary interests or other registrable interests which have not already been declared in the Council's Register of Interests. (It is a criminal offence not to declare a disclosable pecuniary interest either in the Register or at the meeting.)

Members may, however, also decide, in the interests of clarity and transparency, to declare at this point in the meeting, any such disclosable pecuniary interests which they have already declared in the Register, as well as any other registrable or other interests.

If a Member requires advice on any item involving a possible declaration of interest which could affect his/her ability to speak and/or vote, he/she is advised to contact the Monitoring Officer at least 24 hours in advance of the meeting.

4 LOCAL GOVERNMENT ACT 1972 - EXCLUDED ITEMS

To consider whether the items, if any, in Part II of the Agenda should be considered in the presence of the press and public.

5 AUDIT COMMITTEE 2018/19 WORK PROGRAMME

To consider progress against the Committee's 2018/19 Work Programme.

15 - 18

6 AUDIT COMMITTEE 2019/20 WORK PROGRAMME

To consider a draft Work Programme for 2019/20. (The Programme can be adapted as necessary during the year. Firm meeting dates will be set when the Council considers the Calendar of Meetings for the forthcoming year at the Annual Meeting on 21 May 2019.)

19 - 22

7 CHAIR OF THE AUDIT COMMITTEE'S ANNUAL REPORT 2018/19

To consider the Chair of the Audit Committee's draft Annual Report which summarises the activities of the Committee during 2018/19.

23 - 34

Regulatory Framework

8 REVIEW OF PERFORMANCE MANAGEMENT FRAMEWORK AND RISK MANAGEMENT PROCESS

To consider an update to the Performance Management Framework and the Risk Process.

35 - 64

9 RISK MANAGEMENT - OPERATIONAL RISKS

To consider the operational risks which are positioned above the line of risk tolerance and the reviewed Strategic Risk No.5, Impact of the Welfare Reform on Communities.

65 - 82

External Audit

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| 10 | EXTERNAL AUDITOR'S PROGRESS REPORT AND UPDATE | 83 - 98 |
| | To consider a summary of the External Auditor's progress to date and emerging issues and developments that may be relevant to the Council. | |
| 11 | CERTIFICATION WORK FOR SOUTH LAKELAND DISTRICT COUNCIL FOR YEAR ENDED 31 MARCH 2018 | 99 - 102 |
| | To consider a letter from External Audit on certification work for South Lakeland District Council for year ended 31 March 2018. | |
| 12 | EXTERNAL AUDIT PLAN FOR SOUTH LAKELAND DISTRICT COUNCIL YEAR ENDING 31 MARCH 2019 | 103 - 116 |
| | To consider the Audit Plan for South Lakeland District Council year ending 31 March 2019. | |

Internal Audit

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| 13 | INTERNAL AUDIT PROGRESS REPORT 2018/19 | 117 - 204 |
| | To consider progress achieved in delivering the Internal Audit Plan to date in 2018/19, including seven final Internal Audit reports and an update on progress achieved in implementing recommendations from previous internal audit reviews. | |
| 14 | INTERNAL AUDIT ANNUAL REPORT 2018/19 | 205 - 212 |
| | To consider a summary of the outcomes of the work of the internal audit provided by TIAA Limited for South Lakeland District Council for 2018/19, including the Head of Internal Audit's opinion on the effectiveness of the Council's arrangements for risk management, governance and internal control. | |
| 15 | INTERNAL AUDIT ANNUAL PLAN 2019/20 | 213 - 228 |
| | To consider the Internal Audit Annual Plan 2019/20. | |

Financial Issues

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| 16 | OTHER SIGNIFICANT FINANCIAL ISSUES | |
| | To consider a verbal update from the Assistant Director Resources (Section 151 Officer) on any other significant financial issues. | |

PART II

Private Section (exempt reasons under Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, specified by way of paragraph number)

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| 17 | CUSTOMER CONNECT PROGRAMME MANAGEMENT | 229 - 246 |
| | <i>- Paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information)</i> | |
| | Further to AUD (2018/19), to consider an update on the management of the Customer Connect Programme. | |