

**CORPORATE AFFAIRS AND AUDIT COMMITTEE**

A meeting of the Corporate Affairs and Audit Committee was held on 4 December 2014.

**PRESENT:** Councillors Clark, (Chair), C Hobson (as substitute for Mrs H Pearson, OBE), Junier, P Purvis and N J Walker

**ALSO IN ATTENDANCE:** Councillors Hubbard, McPartland and Taylor  
H Fowler, Tees Valley Audit and Assurance Services (TVAAS)  
A Ross and D Wilkinson, Deloitte LLP

**OFFICERS:** S Lightwing, M Padfield, P Slocombe, S Reynolds, B Roberts and K Whitmore

**APOLOGIES FOR ABSENCE** were submitted on behalf of Councillors Mrs H Pearson, OBE and P Sharrocks .

**DECLARATIONS OF INTERESTS**

There were no Declarations of Interest at this point in the meeting.

**14/24 MINUTES - CORPORATE AFFAIRS AND AUDIT COMMITTEE - 26 SEPTEMBER 2014**

The minutes of the meeting of the Corporate Affairs and Audit Committee held on 31 July 2014 were taken as read and approved as a true record.

It was noted that a response had been provided in relation to the purchase of recycling vehicles which clarified the issue.

**14/25 ANNUAL AUDIT LETTER ON THE 2013/14 AUDIT - DELOITTE**

The External Auditor presented the Annual Audit Letter on the 2013/2014 Audit, which was a summary of various reports presented to the Corporate Affairs and Audit Committee during the course of the year.

An unqualified opinion was issued on the Statements of Accounts and the Value for Money conclusion on 30 September 2014. All relevant governance matters were adequately and appropriately disclosed. The Pension Fund, included in the Council's annual accounts, was prepared and audited by 30 September 2014 and an unqualified audit opinion on the Statement of Accounts issued. It was anticipated that a modified audit opinion on matters reported on by exception on the Pension Fund Annual Report would be issued by 1 December 2014. The Whole of Government Accounts was submitted to the National Audit Office (NAO) on 3 October 2014.

An objection to the accounts raised by a member of public was still outstanding and therefore the Audit Certificate had not yet been issued. The Auditor had concluded that the objection did not have a material impact on the financial statements and a summary of findings would be submitted to the Audit Commission for their view. A letter would then be sent to the objector. It was anticipated that this process would be completed early in 2015 and the Audit Certificate would be issued.

No significant weaknesses had been identified in the Council's financial reporting systems. A Management Letter containing observations from the audit, together with some suggested areas for improvement for the next financial year, would be presented to the next meeting of the Corporate Affairs and Audit Committee. The External Auditor confirmed that the item outstanding in the Letter of Representation had been resolved to both the Auditor's and the Council's satisfaction and subsequently removed from the ISO 260 Report.

The Chair thanked the Assistant Director, Finance and Investment and his staff for the preparation of the accounts.

**AGREED** that the report was received and noted.

**14/26 INTERNAL AUDIT PROGRESS REPORT**

The Audit and Assurance Manager presented a report to update Members of the Corporate Affairs and Audit Committee on the main findings arising from internal audit work carried out since the Annual Report was submitted to Members. The report also provided an update on the performance of the Tees Valley Audit and Assurance Services (TVAAS).

There were no significant issues to highlight. The report included a summary of findings of audit reports since the last update to the Committee. At the current time 32% of the Plan had been completed, which was behind schedule given the number of audits due to be completed. This was attributable to a number of factors including higher than expected sickness absence levels and individual performance management issues which were being addressed via the appropriate mechanisms. The level of completion of the Audit Plan was continuously monitored and resources reallocated as appropriate, with a plan in place to address the shortfall. The productivity per individual was increasing despite the introduction of a new audit software package.

A brief summary of all internal audit reports issued in final since the last update, was provided at Appendix 2 to the submitted report. No Priority One recommendations had been made as yet as a result of 2014/2015 audit work and there were none outstanding from previous years. A moderate opinion had been issued on the audit of Car Parking. The audit had identified the need to strengthen anti-fraud controls and measures had been put in place to increase consistency and effectiveness. TVAAS staff had also been involved in a number of other areas of work which were listed at paragraph six of the submitted report.

Appendix 4 to the submitted report detailed the main areas in which contingency allocations had been applied to date. The Service's opinion methodology had changed for 2014/2015 onwards and was detailed in Appendix 5.

A Member highlighted that in relation to the Accounts Payable Audit a number of potentially significant issues relating to the poor application of order and invoice housekeeping procedures had been identified. The Auditor confirmed that during the reporting process, engagement by the Assistant Director of Finance had already ensured that progress had been made to improve processes.

**14/27 COMBINED ELECTIONS 2015 - BRIEFING PAPER**

The Assistant Director, Organisation and Governance, presented a report to inform the Corporate Affairs and Audit Committee of the planned timetable for the forthcoming elections and the rationale underpinning the timetable.

In May 2015 the Council would hold a Parliamentary General Election, a Mayoral Election, Local Elections and possibly Parish Council Elections.

A detailed Election Plan had been prepared to address the key risks that had been identified in holding Combined Elections. Details of the venue, verification and count arrangements, resources, staffing and potential legal and financial implications were included in the submitted report.

**AGREED** that the information provided was received and noted.

**14/28 POLLING STATION REVIEW**

A report of the Assistant Director, Organisation and Governance, was presented to advise Members of the outcome of the consultation on the current review of polling districts and polling places and seek agreement to proposed changes arising from the review. Section 17 of the Electoral Registration and Administration Act 2013 introduced a duty on local authorities to carry out and complete reviews of polling districts and polling places between 1 October 2013 and 31 January 2015, and thereafter every five years.

In addition, a review of the Council's Electoral Ward arrangements had been undertaken by the Local Government Boundary Commission for England which renamed and reduced the number of wards within the Middlesbrough area from 23 to 20 with effect from the next Council Elections in May 2015. This in turn affected the polling districts and polling places.

The aim of the review was to ensure that all electors had such reasonable facilities for voting as were practicable in the circumstances. The Council had to ensure that, so far as is reasonable and practicable, the polling places it was responsible for were accessible to all electors, including those who were disabled. Efforts were made to keep polling stations in Council owned buildings so that the Council had control over their use at election time.

As required, a public notice was published in two local newspapers, on the Council's website, letters and questionnaires were sent to local Members of Parliament and Middlesbrough Councillors, and notices were posted in various locations in the town. Local disability organisations and black and minority ethnic groups were also consulted. A full list of consultees was attached at Appendix 1 to the submitted report.

Electoral Services received five responses from Councillors, Agents and Parish Clerks and four responses from representatives of community organisations and members of the public.

It was confirmed that there was a factual error in the submitted report in relation to the Stainton and Thornton Ward. It was clarified that two existing Polling Stations at Stainton Memorial Hall and Hemlington Hall Academy would remain.

Members discussed the proposals and the following alternatives were suggested:

- Central Ward - use the International Centre instead of the Friends' Meeting House, Elder Court.
- Brambles and Thorntree Ward - Temporary mobile polling station at junction of Merlin Road and Cargo Fleet Lane to remain in-situ.

Representations were made at the meeting in relation the Acklam Ward and the proposed relocation of a polling station to Newham Bridge Primary School. Since no alternative option was presented, it was agreed that the proposal would stand. However, it was suggested that those households affected by the relocation of the polling station would be targeted with specific publicity.

**ORDERED** as follows that the:

1. information provided was received and noted.
2. International Centre would be used as a polling station in Central Ward instead of the Friends' Meeting House, Elder Court.
3. temporary mobile polling station at the junction of Merlin Road and Cargo Fleet Lane in Brambles and Thorntree Ward would remain in-situ.
4. remaining proposals for polling stations in the submitted report were approved.
5. approved polling stations would take effect from the next Council elections on 7 May 2015.
6. affected households in Acklam Ward would be targeted with specific publicity regarding the relocation of the polling station to Newham Bridge Primary School.