

LEE VALLEY REGIONAL PARK AUTHORITY

**AUDIT COMMITTEE MINUTES
22 JUNE 2017**

Members Present: Ross Houston (Chairman) Gerry Lyons
 Malcolm Cowan Graham McAndrew

Apologies Received From: Linda Haysey

Officers Present: Simon Sheldon - Director of Finance & Resources
 Beryl Foster - Director of Corporate Services
 Keith Kellard - Finance & Systems Accountant
 Lindsey Johnson - Committee Services Officer

Also Present: Kevin Le Roux - Mazars
 Miyako Grahm - Mazars
 Joe Ryan - RD Health & Safety
 Matt Wells - RD Health & Safety
 Stephen Bladden - Ernst & Young
 Nigel Foxall - Lee Valley Leisure Trust

Part I

116 The Chairman noted that it was the last Audit Committee meeting for Malcolm Cowan, Gerry Lyons and Graham McAndrew. The Chairman thanked them for their work on the Audit Committee and expressed his regret at the loss of their knowledge.

117 DECLARATIONS OF INTEREST

There were no declarations of interest.

118 MINUTES OF LAST MEETING

THAT the minutes of the meeting held on 23 February 2017 be approved and signed, with the following amendment:

the spelling of Malcolm Cowan's name be corrected.

119 PUBLIC SPEAKING

No requests from the public to speak or present petitions had been received for this meeting.

120 ANNUAL REPORT ON THE WORK OF INTERNAL AUDIT
2016/17 AND AUDIT PLAN 2017/18

Paper AUD/77/17

The report was introduced by the Director of Finance & Resources informing Members that Mazars had given substantial assurance of internal control with two exceptions that have limited assurance at Lee Valley Riding Centre and Lee Valley Campsite Sewardstone. The Trust

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identified the issues before the Auditors; recommendations to improve these issues have been agreed and implemented.

Kevin Le Roux from Mazars introduced the annual report of the Internal Auditors, key points included:

- There have been changes to the internal audit charter which Miyako Graham will be updating.
- The two cases where there had been limited assurance had been found by management, which demonstrates that the management oversight function is working.
- Follow up on previously raised recommendations have been implemented with a few exceptions with adequate reasons for those not done.

Members asked that page 7 of the Internal Auditors report be amended to reflect that the Authority chooses to follow the Local Government Act 1999 but does not have a legal duty to follow it.

Members were concerned about Picketts Lock, officers replied that the Lee Valley Athletics Centre, Campsite and Golf Course have amalgamated their bookings and purchasing through one management system which was improving things.

Members queries why the Authority and Trust weren't already working together to get better value for money through placing orders, negotiating rates, terms and discounts etc. Officers replied that we have been working on this and that we had been without a Senior Procurement Officer for some time but now have one in post.

Miyako Graham introduced the Audit Plan, key points being:

- They would need 20 days to do the IT audit and 12 days to do the Contract Audit.
- For the Contract Audit they have been looking at Dobbs Weir and for the IT Audit they have already completed an anti-fraud and corruption policy with the Authority and will now be doing one for the Trust, then doing awareness surveys to see how embedded this policy is with employees.

Members were informed that every three years they employ Mazars to go over the Whistle Blowing policy with employees to ensure that it is up to date and that employees have a good understanding of what to do.

- (1) the annual report of the Internal Auditors for 2016/17 detailed in Appendix A to Paper AUD/77/17 was noted; and**
- (2) the annual Audit Plan for 2017/18 as detailed in Appendix B to Paper AUD/77/17 was approved.**

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120 ANNUAL REPORT ON HEALTH & SAFETY 2016/17 AND
HEALTH & SAFETY AUDIT PLAN 2017/18

Paper AUD/78/17

The report was introduced by the Director of Finance & Resources informing Members that our joint corporate average achieved a score of 95%, with RD Health & Safety concluding that we have robust and effective systems to manage health and safety.

Joe Ryan from RD Health & Safety introduced their annual report, key points included:

- They have changed the structure of their meetings and now have a strategic group and a co-ordination group.
- The staff survey in March had 179 responses compared to 104 last time, findings from the survey indicate good health & safety practice and no concerns.
- There is a good occupancy on the training programme, with most courses having 70%.
- Higher footfall at venues is attributed to a slight increase in number of accidents, although there is a reduction in the number of RIDDOR accidents.
- Of 8 claims, 2 were closed with a policy deductible amount.
- There is now a vaccination programme for rangers, all but one has taken up this opportunity.
- You have a 95% corporate average and are the highest performer for the sport and leisure industry. The stretch target was 97%, but we are going to reduce that to 95% for next time.
- Whilst not in the report, we have been working on terrorism by talking to police, research counter terrorist security office, created safety alerts which have been shared with staff, and provided training at public venues. We will be looking to extend training, especially at major events but are not concerned and there is no drastic approach to security in place.

A Member asked if we were ensuring that sufficient staff are trained in first aid, or fire evacuation to ensure venues have the staff with the right training at all times. Joe Ryan replied that they are and this information could be included in the report for next time.

A Member pointed out that Picketts Lock at 81% was significantly below the corporate score of 95%. Joe Ryan replied that they are looking to address the issues and that whilst 81% was low compared with the rest of Lee Valley, for similar industries it was a high score.

- (1) the annual report of RD Health & Safety for 2016/17 detailed in Appendix A to Paper AUD/78/17;**
- (2) 95% be the new stretch target score was noted;**
- (3) the aims and objectives for 2017/18 as set out in RD Health & Safety's Annual report detailed in Appendix A to Paper AUD/78/17; and**
- (4) signing of the 2017/18 Health & Safety Policy Statement attached as Appendix C to Paper AUD/78/17 was approved.**

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121 RISK REGISTER 2017/18

Paper AUD/79/17

The report was introduced by the Director of Finance & Resources informing Members of the changes to SR5, SR6 and SR10 that was requested in February. A workshop in September will be set up for Members to review some of the detailed risks and associated scoring.

- (1) the Authority's Strategic Risk Register (incorporating any agreed changes recommended at this Committee meeting) as attached at Appendix B to Paper AUD/79/17 was approved.**

122 DRAFT UNAUDITED FINAL ACCOUNTS 2016/17

Paper AUD/80/17

The report was introduced by the Director of Finance & Resources.

Stephen Bladden from Ernst & Young introduced the report, key points were:

- Most of the audit is complete, except for a few fixed assets and some current expenditure.
- He is not expecting anything significant to change.
- Normally he would summarise findings in a report in September, however there is no requirement for him to do this, therefore he proposes that any changes be circulated in a letter to Members.
- He will not be able to circulate these findings until mid-July, as there needs to be a period of time for local electors to ask questions.

A Member pointed out that on page 15 there was no mention of developing non-operational projects such as walking or cycling. Officers replied that they would add something in.

- (1) the draft Annual Governance Statement (attached at Appendix A to Paper AUD/80/17), to be included within the Accounts, subject to any comments received from Members and the Auditors; and**
- (2) that any Member comments/amendments/changes received by 29 June 2017 can be considered and approved by the Director of Finance & Resources in conjunction with the Chair of the Audit Committee and incorporated into the final Draft Accounts presented for external audit; and**
- (3) a summary letter from Ernst & Young highlighting any changes to the accounts be circulated to Members of the Audit Committee for 10 working days for comments. Any comments/amendments/changes would be approved by the Chair and Director of Finance & Resources, with the option to reconvene a Committee meeting in September if there are any substantial issues was approved;**
- (4) that the unaudited Statement of Accounts for 2016/17 summarised in Paper AUD/80/17 (and attached as Appendix B to Paper AUD/80/17) will be signed off by the Director of Finance & Resources by 30 June 2017, subject to any comments/amendments/changes received by 29 June 2017 from Members was noted.**

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Chairman

Date

The meeting started at 1pm and ended at 2.30pm.