

AUDIT COMMITTEE

MINUTES OF MEETING HELD ON 4 AUGUST 2010 AT 2:00PM

Present: Mr M Bonner, Independent Chairman; Councillors: Mrs J Hully; M McVeigh; G Scurrah; J G Sunderland and D Wilson.

An Apology for absence was received from Councillor P C Connolly and T Knowles

Officers: K Parker, Acting Corporate Director, Quality of Life; A Clark, Accountancy Services Manager; M Robinson, Audit and Fraud Prevention Officer; K Dowle, Fraud Prevention Team Leader; J Betteridge, Head of Development and Strategy; J Salt, Acting Head of Leisure and Environmental Services/Head of Customer Services and C Willoughby, Member Services Technical Support Officer;

Also in attendance: R McGahon, Audit Commission; K Murray, District Auditor and Councillor J Bowman

AU 137 Minutes

RESOLVED – That the minutes of the meeting held on 28 June 2010 be signed by the chairman as a correct record, subject to it being shown that Councillor Sunderland had submitted his apology for absence.

AU 138 Declarations of Interest

Councillor Mrs J Hully declared a personal interest due to being a tenant of Home Housing.

Councillor Mrs J Hully also declared a personal and prejudicial interest due to being in receipt of Concessionary Travel and Housing Benefits.

Councillor G Sunderland declared a personal interest due to being a member of the Strategic Housing Panel.

AU 139 Arrangement of Agenda

With the agreement of the Chairman, it was propose, seconded and **AGREED** to accept an additional Agenda item "Audit Commission's Interim Memorandum July 2010" as Agenda Item 7a.

AU 140 Progress on Benefits Inspection Housing Action Plan

The Acting Head of Leisure and Environmental Services/Head of Customer Services provided Members with an update and advised hat limited progress had been made against the action plan.

Shared Services were still not functioning fully, mainly due to a delay in negotiations with the Trade Unions. This has now started moving forward.

Members were advised that an updated Action Plan would be brought to the next meeting of this Committee,

RESOLVED – That the update be noted.

AU 141 Progress on Housing Inspection Action Plan

The Head of Development and Strategy introduced a report on the Strategic Housing Action Plan 2010/11.

Members were advised that the Strategic Housing Action Plan had been approved by the Strategic Housing Panel in response to the recommendations of the re-inspection by the Audit Commission and the progress made was highlighted.

During discussion of this item, Members asked if during the identification of potential development sites, Parish Councils had been consulted.

Clarification was sought regarding the Empty Homes Agency and Committee was advised this was a national body.

Members noted that progress was being monitored by the Strategic Housing Panel and requested that future reports to this committee show progress by means of an 'Exception Report'.

RESOLVED – That

- a) the update be noted, and
- b) future reports to this committee show progress by means of an 'Exception Report'.

AU 142 Audit Commission's Interim Memorandum July 2010

At this point, Members received the additional agenda item, the Audit Commission's Interim Memorandum July 2010, which was presented by Mr R McGahon from the Audit Commission.

Committee was advised that the auditors had tested some of the key controls within the Council's debtors, creditor payments and payroll systems and concluded that they can be relied upon. The auditors had also placed reliance on Internal Audit's work for some of the controls tested for debtors and creditor payments.

Auditors found that controls operating within some of the Council's system need to be improved to ensure the Council's assets are safeguarded and that transactions are correctly recorded within the statement of accounts.

These improvements were summarised into three categories:

- The completion of reconciliations,
- Retaining evidence about the controls operating,
- Treasury Management arrangements.

Members were then informed that the Treasury Management post, which had been vacant, was now filled.

Committee were of the opinion that the Interim report had been very useful.

RESOLVED – That the report be noted.

AU 143 Fraud Section Monitoring Report : First Quarter 2010/11

Consideration was given to the Fraud Section Monitoring Report for the first quarter of 2010/11.

Members were advised that fraud work was progressing in line with the service plan and in the first quarter had resulted in sanctions being applied from work started earlier than the period referred to and these had exceeded the quarterly target.

Committee was also advised that the section currently had one vacant post.

RESOLVED – That the report be noted.

AU 144 Audit Services Quarterly Monitoring Report: First Quarter 2010/11

Consideration was given to the Audit Services Monitoring Report for the First Quarter 2010/11, which was introduced by the Audit and Fraud Prevention Officer.

Committee was advised that six long standing recommendations and 16 new recommendations had been implemented since the last quarterly report. Further progress had been made on some of the remaining recommendations.

There were now only four outstanding from the backlog when key Finance and economic Development posts were vacant.

During the discussion that followed, Members asked if Covalent was regularly updated.

Concern was expressed regarding the above average sickness absence.

RESOLVED – That the report be noted.

AU 145 Exclusion of Press and Public

RESOLVED – that the press and public be excluded for the remaining items of business in view of the likely disclosure of exempt information as defined in paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972 as amended.

AU 146 Internal Audit Report on Corporate Business Continuity Arrangements

The Committee received an Internal Audit report on Corporate Business Continuity Arrangements, which was noted and the Action Plan Agreed.

The meeting closed at 4:00pm

Chairman

Date