

Audit Committee – 20 April 2010

Minutes of the meeting of the **Audit Committee** held on **20 April 2010** when there were present:-

Chairman: Cllr Mrs J A Mockford

Cllr T Livings
Cllr J R F Mason
Cllr S P Smith

Cllr D G Stansby
Cllr M J Steptoe

APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllrs Mrs L A Butcher, J P Cottis, Mrs J Dillnutt and J Thomass.

OFFICERS PRESENT

Y Woodward - Head of Finance, Audit and Performance Management
T Metcalf - Audit and Performance Manager
S Worthington - Committee Administrator

100 MINUTES

The Minutes of the meeting held on 16 March 2010 were approved as a correct record and signed by the Chairman.

101 ANNUAL AUDIT PLAN FOR 2010/11

The Committee considered the report of the Head of Finance, Audit and Performance Management presenting the 2010/11 annual audit plan.

In response to a Member enquiry relating to the headings and time allocated within the audit plan, officers confirmed that many audits were performed annually; past experience of conducting similar audits had informed the judgment of how many audit days would be required. Allocated time would always be increased in order to address any issues that might arise during the course of an audit. Core audits were usually conducted on an annual basis, as this was required by the external auditors. If Internal Audit staff did not do this work it would result in increased charges from the external auditors as they would accordingly need to carry out more auditing.

Responding to a further Member question about the amount of time that had been allocated to audit the operation of woodlands and park management, officers advised that 5 days was sufficient, as this was not an area with a high volume of staff or with any high risks; the audit would primarily focus on procedures in this area.

A Member commented that he was receiving a high number of complaints from residents about dog fouling; there could be merit in Internal Audit looking at procedures for following up on such complaints and enforcing fines. During debate, some Members felt that it could be useful to establish whether the

Review Committee might consider looking into procedures for dealing with complaints of dog fouling and assessing whether the new enforcement officer role was providing value for money. It was agreed that the Head of Environmental Services would be asked to write to Members of the Audit Committee to advise on the Council's procedures with regard to enforcement of fines for dog fouling.

Resolved

That the 2010/11 audit plan be agreed. (HFAPM)

102 INTERNAL AUDIT ANNUAL REPORT AND OPINION 2009/10

The Committee considered the report of the Head of Finance, Audit and Performance Management detailing progress of internal audit work during the year and reporting the opinion of the Audit and Performance Manager in respect of the effectiveness of the systems of internal control that exist within the Authority.

Responding to a Member enquiry relating to creditors, officers advised that in order for any invoices to be raised by suppliers, an order should first have been raised by an officer on the Council's electronic procurement system, Marketplace, which had to be approved by a manager who should also confirm that there was an available budget. Once the invoice is received Finance officers match it with the electronic order, ask the officer who raised the order to confirm receipt of the service on Marketplace. The invoice was then paid by Finance. The errors referred to have primarily arisen as a result of officers using credit cards without raising an order on Marketplace beforehand.

In response to a supplementary question about the payment of invoices, officers confirmed that over 98% of invoices were paid within 30 days and over 80% of invoices from local suppliers were settled within 10 days.

Resolved

- (1) That the annual report be noted.
- (2) That the Audit and Performance Manager's opinion on the systems of internal control be confirmed. (HFAPM)

EXCLUSION OF THE PRESS AND PUBLIC

Resolved

That the press and public be excluded from the meeting for the remaining item of business on the grounds that exempt information as disclosed in paragraph 3 of Part 1 of the Local Government Act 1972 would be disclosed.

103 AUDIT REPORT

The Committee considered the exempt report of the Head of Finance, Audit and Performance Management drawing Members' attention to completed audit investigations and providing an update of audit recommendations.

Officers drew Members' attention to the fact that the second recommendation outlined on page 11.13 of appendix 2 to the report could be deleted, as this had been implemented. It was further noted that recommendation 3 on the same page would take longer to achieve than originally anticipated and that the revised date was accordingly 30 September 2010.

Responding to a Member enquiry about levels of Council Tax recovery officers confirmed that this related to all of the Council Tax, including the various precepts. At the end of each financial year any surplus is moved into a Council Tax collection account and is distributed to preceptors proportionately, based on the Council Tax bill percentages.

In response to a supplementary question relating to Council Tax deficits, officers advised that the Authority's Council Tax collection rate was very high, but that any deficit would also go to the collection fund; it would not affect the Council's income. Officers further confirmed that in cases where it was not economically sound to recoup a Council Tax debt, this would be written off.

Officers confirmed, in answer to a Member question about business rates, that the Council received a subsidy that more than covered the collection costs.

During debate of the literature sent out to residents about Council Tax payments, Members concurred that it was appropriate for residents to be reminded of the penalties associated with not updating the Council on any changes in circumstances that would affect any Council Tax discounts; this protected the Council and the individuals concerned. Officers emphasised that many of the write-offs related to instances of people forgetting to inform the Council of changes in personal circumstances. Officers confirmed that any Council Tax-related literature would continue to emphasise the importance of keeping the Council informed of any changes.

Resolved

- (1) That the conclusions and results from the audit in appendix 1 be agreed.
- (2) That the updated information on the audit recommendation, outlined in appendix 2, be agreed. (HFAPM)

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The meeting closed at 8.15 pm.

Chairman

Date

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