

Audit Committee – 13 June 2012

Minutes of the meeting of the **Audit Committee** held on **13 June 2012** when there were present:-

Chairman: Cllr T E Mountain
Vice-Chairman: Cllr Mrs A V Hale

Cllr J D Griffin
Cllr B T Hazlewood
Cllr M Hoy

Cllr Mrs J R Lumley
Cllr I H Ward
Cllr Mrs B J Wilkins

APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllrs Mrs C E Roe and D J Sperring.

OFFICERS PRESENT

Y Woodward	- Head of Finance
T Metcalf	- Audit and Performance Manager
J Kevany	- Principal Auditor
S Worthington	- Committee Administrator

111 MINUTES

The Minutes of the meeting held on 27 March 2012 were approved as a correct record and signed by the Chairman.

112 EXTERNAL AUDITOR REPORTS AND UPDATES FOR 2010/11

The Committee considered the report of the Head of Finance asking Members to agree monitoring sheets for the external audit recommendations arising from the annual governance report 2010/11 and the grant claims certification report 2010/11.

Resolved

- (1) That the monitoring sheet for the external audit recommendations arising from the Annual Governance Report 2010/11 be agreed.
- (2) That the monitoring sheet for the external audit recommendations arising from the Grant Claims Certification Report 2010/11 be agreed.
(HF)

113 ANNUAL AUDIT PLAN FOR 2012/13

The Committee considered the report of the Head of Finance presenting the 2012/13 annual audit plan for Members' approval.

In response to a Member question relating to the new Welfare Reform Bill, officers confirmed that this will have an impact on the audit plan. The Internal Audit team was already planning for this and attending working group

meetings relating to it. Time would be made within the plan to accommodate such meetings. When the legislation comes in more time will need to be allocated in order to establish new procedures, etc. Officers confirmed that there was sufficient staffing resource to deal with the additional work.

Responding to a Member enquiry relating to page 9.6 of the officer's report, officers confirmed that the 37 days allocated for Revenues and Benefits related to work Internal Audit would carry out on behalf of the external auditors comprised of the detailed checking of, eg, benefits claims. Completing this work in house would save the Authority £10k in external audit fees.

Resolved

That the 2012/13 annual audit plan be agreed. (HF)

114 SCHEDULE OF BUSINESS FOR THE AUDIT COMMITTEE 2012/13

The Committee considered the report of the Head of Finance outlining a schedule of business for the Audit Committee in 2012/13.

Officers confirmed, in response to a Member enquiry relating to whether this year's schedule was broadly similar to that for last year, that there were some differences as the external auditors had cut down on the number of reports coming to this Committee this year. However, the rest of the schedule was very similar to last year's.

Resolved

That the schedule of business for the Audit committee for 2012/13 be noted. (HF)

EXCLUSION OF THE PRESS AND PUBLIC

Resolved

That the press and public be excluded from the meeting for the remaining items 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.

115 INTERNAL AUDIT ANNUAL REPORT AND OPINION 2011/12

The Committee considered the exempt report of the Head of Finance informing Members of the 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.

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. (HF)

116 ANNUAL GOVERNANCE STATEMENT 2011/12

The Committee considered the exempt report of the Head of Finance providing details of the Annual Governance Statement for 2011/12.

Resolved

- (1) That it be agreed that the level of assurance provided for the 2011/12 Annual Governance Statement is sufficient to determine the weaknesses identified.
- (2) That the 2011/12 Annual Governance Statement be agreed for signing by the Leader of the Council and the Chief Executive. (HF)

117 AUDIT REPORT

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

In response to Member questions officers confirmed the following:-

- There were instances of orders being raised by telephone and then staff forgetting to raise the corresponding order on the Council's electronic ordering system. The system generated order emails to suppliers.
- The new ATM's in the Council Receptions overcame previous problems with cash handing in that the new machines issue a receipt for the actual sum of money deposited, which was not previously the case.
- With respect to page 14.9 of the officer's report, the audit uncovered that reconciliation of housing benefits overpayments was not fully identifying variances, believing this was attributable to technical issues associated with the software.

Officers advised that on page 14.14 of the report the end date for report 2 (11/12) no. 1 should be revised to 30 June 2012.

Resolved

- (1) That the conclusions and results from the audits in appendices 2 and 3 be agreed.
- (2) That the updated information on the audit recommendations, outlined in appendix 4, be agreed. (HF)

The meeting closed at 8.10 pm.

Chairman

Date

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