

Audit Committee – 9 December 2014

Minutes of the meeting of the **Audit Committee** held on **9 December 2014** when there were present:-

Chairman: Cllr Mrs J A Mockford

Cllr Mrs C M Mason

Cllr D Merrick

Cllr Mrs M H Spencer

Cllr D J Sperring

Cllr Mrs B J Wilkins

APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllrs Mrs L A Butcher, Mrs T J Capon and N J Hookway.

OFFICERS PRESENT

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

ALSO PRESENT

R Bint	- BDO
B Pryke	- BDO

248 MINUTES

The Minutes of the meeting held on 18 September 2014 were approved as a correct record and signed by the Chairman.

249 ANNUAL AUDIT LETTER FOR 2013/14

The Committee considered the report of the Head of Finance drawing Members' attention to BDO's annual audit letter 2013/14.

The following points were noted, in response to Member questions:-

- The overstatement of value of four of the Council's car parks was as a result of different valuation methodology used by the Council; the same method would be used across all the car parks for the 2014/15 financial year.
- The omission of the disclosure of one related party, as detailed on page 2 of the external auditors' report, was not a serious issue; the Member had declared this interest on their register of interests form, but omitted to include it on their third party related transactions disclosure form.
- The differences in respect of the whole of Government accounts outlined on page 5 of the external auditors' report were not a cause of concern to BDO;

sometimes such differences can be attributed to the timing of production of the accounts.

- External auditors audit the same things each year but will, of course, choose different samples during their audits. This report from BDO is a summary of issues that were raised in a more detailed report to the Committee in September.
- The recommendations detailed on page 6 of the external auditors' report relating to the housing benefit and subsidy return for 2012/13 had all now been implemented; a report on the 2013/14 subsidy audit will be brought to the next Audit Committee meeting.
- BDO fees had increased slightly, as a result of additional work caused by the loss of data from the Council's main accounting system.

Resolved

That the annual audit letter for 2013/14 be noted. (HF)

250 PROGRESS ON THE 2014/15 AUDIT PLAN

The Committee considered the report of the Head of Finance updating Members on progress with respect to the 2014/15 audit plan.

The following points were noted in response to Member questions:-

- The additional audit work associated with the IT software audit had not impacted on any other audit work as contingency time was used for this.
- The Head of Planning and Transportation had requested the audit of IT software.

Resolved

That the revised audit plan for 2014/15 be agreed. (HF)

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 detailed in paragraph 3 of Part 1 of the Local Government Act 1972 would be disclosed.

251 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 the following points were noted:-

- In respect of report 12, all Heads of Service had now confirmed that staff details on the most recently circulated establishment list were accurate.
- Attempts were being made to be reimbursed the over payment detailed on page 10.7 of the report; the relevant individual had not yet responded, but this would now be followed up.
- The fuel management issue referred to on page 10.10 of the report related to Hockley Woods; new procedures subsequently introduced had resulted in improvements and the situation was being regularly monitored.
- In respect of report 17, a new electronic claim form had subsequently been produced, giving expanded procedures on how to claim correctly. A new driving at work policy has also been produced, which will be introduced once approved by Members.
- It was the responsibility of individual claimants to submit accurate claims; disciplinary procedures will be followed in the event of policy not being correctly adhered to.
- The 20% error rate in respect of report 17 related to errors, rather than over-claiming; some individuals had claimed incorrectly over a sustained period of time. When the errors are added the total sum is very small. Training would be rolled out to staff once the policy was approved by Members.
- New criteria for claiming mileage had resulted in approximate savings of £10k per annum and more savings would also be made after the Council's re-design next year.

Resolved

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

The meeting closed at 8.05 pm.

Chairman

Date

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