

Finance & Procedures Overview & Scrutiny Committee – 4 December 2003

Minutes of the meeting of the **Finance & Procedures Overview & Scrutiny Committee** held on **4 December 2003** when there were present:-

Cllr T G Cutmore (Chairman)

Cllr P A Capon
Cllr C C Langlands
Cllr T Livings

Cllr Mrs J R Lumley
Cllr C R Morgan

VISITING MEMBER

Cllr C I Black

APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllrs K A Gibbs, Mrs H L A Glynn and J Thomass.

OFFICERS PRESENT

R Crofts	Corporate Director (Finance & External Services)
T Metcalf	Audit & Process Review Manager
J Kevany	Audit Officer
M Martin	Committee Administrator

ALSO ATTENDING

S Frith Audit Manager, PKF

558 MINUTES

The Minutes of the meeting held on 25 November 2003 were agreed as a correct record and signed by the Chairman

Matters Arising

Officers confirmed that the anticipated start date for the commencement of building at the former Park School site was as referred to in Minute 532/03. However, this was dependant on Essex Council and the successful purchaser of the site.

559 EXTERNAL AUDIT – MANAGEMENT LETTER 2002/2003

The Chairman welcomed the PKF representative to the meeting, who apologised on behalf of a colleague who had been unable to attend.

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In noting the contents of the Draft Annual Audit Letter, Members congratulated Mr Frith and his colleagues on the clear presentation of the key points, which made it very easy to understand. It was noted that the Auditors were required to report under the Statement of Auditing Standard 610 (SAS 610), details of which had been appended to the Letter. Members congratulated officers that the overall financial standing of the Authority had been reported as generally sound.

During Member discussion, particular attention was drawn to the following:-

- The auditors were continuing to work towards the Audit Commission's guidelines in relation to the reporting of the Best Value Performance Plan.
- 6.6 - the HRA position was being monitored and measures introduced to ensure that the forecast deficit does not occur.
- 6.7 - FRS17 – subject to resolution of a technical point on the disclosure of pensions information from the County's Pension Fund Auditor's report, an unqualified position would be issued by 31 December.
- 6.8 – a process exists for monitoring linkages between individual appraisal objectives and Service Action Plans, but this would need to be fully documented.
- 6.9 - work around risk management had been undertaken and was now being given full consideration.
- 6.9 – currently the performance information in respect of Asset Management did not fall within the Quarterly Performance Reports and the key indicators would need to be reflected up.
- 6.9 - issues around partnership working had been noted.
- 6.10 – the need to have processes in place to collect information for specific indicators.
- 6.11 – Members were pleased to note the comments that the Authority has very robust procedures for ensuring the accuracy of the indicators prepared.
- 6.15 - the overall reserves of the Authority would continue to be monitored.
- 6.16 - a fully documented and tested IT disaster recovery plan was required.
- 6.26 – the need for a detailed review of bad debt provision, which had remained unchanged for several years, and which should subsequently be reviewed annually.

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 defined in paragraph 14 of Part 1 of Schedule 12A of the Local Government Act 1972 would be disclosed.

560 AUDIT REPORT

The Committee considered the exempt report of the Chief Executive, which drew Members' attention to completed audit investigations and provided an update of audit recommendations.

Members noted that the first audit recommendation reported on the exempt appendix in respect of Democratic Renewal had been implemented and could be deleted.

Resolved

- (1) That the conclusions and results from the audits outlined in the exempt report be agreed.
- (2) That the full report of the audit on Sheltered Schemes be referred to the next meeting of this Committee.
- (3) That the updated information on the audit recommendations, outlined in Appendix 2 be agreed. (CE)

The meeting closed at 8.30 pm.

Chairman

Date