

**THE DISTRICT COUNCIL OF CHESTER-LE-STREET**

Report of the meeting of the Audit Committee held on Thursday 11 January 2007 at 4.00pm

Members Present: Councillors C Carr (Chairman), R Richardson, G Armstrong and JM Proud.

Officers Present: J McConnell (Chief Internal Auditor), M Welsh (Principle Auditor), K Roberts (Principle Auditor) and C Turnbull (Democratic Services Officer)

Also in attendance was Caroline Tyrell (Audit Manager)

**74 APOLOGIES FOR ABSENCE**

There were no apologies from Members.

**75 MINUTES OF MEETING HELD 5 OCTOBER 2006**

RESOLVED: "That the minutes of the proceedings at the meeting of the Committee held 5 October 2006 copies of which had previously been circulated, be confirmed as being a correct record."

The Chairman proceeded to sign the minutes.

**76 OUTSTANDING AUDIT ISSUES**

With reference to minute no 65(a)(1), an update from the Leisure Services Manager and Chief Internal Auditor concerning outstanding issues from a recent audit at the Leisure Centre was submitted.

RESOLVED:

- “1. That a Special Meeting be arranged to further consider the matters and the Leisure Services Manager and Information Technology Manager be invited to attend.
2. That the Portfolio Holder be advised of the situation and invited to attend the Special Meeting.
3. That the Chief Executive and Director of Resources be advised of the action proposed.”

**77 DECLARATIONS OF INTEREST BY MEMBERS**

There were no declarations of interest from Members.

**Prior to consideration of the following item, the Chief Internal Auditor and the two Principle Auditors left the meeting.**

## **78 INTERNAL AUDIT**

Consideration was given to an Audit Summary Report issued by the Audit Commission on the Council's Internal Audit Section, copies of which had previously been circulated.

Caroline Tyrell, Audit Manager, spoke to the report and took Members through the summary of findings and action plan appended to the report.

Following discussion on issues raised, the Internal Audit staff returned to the meeting and the Chief Internal Auditor confirmed that all the recommendations in the findings and action plan were accepted.

## **79 INTERNAL AUDIT WORK COMPLETED**

Consideration was given to a report from the Chief Internal Auditor giving an update of the findings of Internal Audit work completed during the first nine months of the 2006/2007 financial year. The report contained executive summaries of audits on IT Disaster Recovery and Car Parks, and details of the following high profile audits that covered areas where the control environment is subject to high levels of risk:

- Debt Recovery follow-up
- Best Value Performance Indicators

### IT Disaster Recovery

M Welsh, Principle Auditor, spoke to the executive summary and advised that all recommendations had been discussed with the IT Manager.

Councillor Richardson stressed that the Council should have a continuity plan that would provide back-up accommodation.

The Chief Internal Auditor advised that back-up accommodation was currently being negotiated and that the Audit Plan for 2007/2008 would look at contingency plans.

### Car Parks

K Roberts, Principle Auditor, spoke to the executive summary and key findings.

### Debt Recovery Follow-Up

The Chief Internal Auditor spoke to the report and to the recommendations all of which had been agreed or were in progress. She advised of significant progress and a good example of Officers and Internal Audit working together to improve the service.

## Best Value Performance Indicators

M Welsh, Principle Auditor, presented the report.

Councillors Carr and Richardson spoke on various matters highlighted in the report.

RESOLVED:

“1. That the Portfolio Holder for Regeneration and the Director of Development Services be advised of the Committees concern over the apparent lack of progress regarding contaminated land.

2. That the Director of Development Services be advised of the Committees concern over the inability to re-create the calculation relating to the cost of waste collection per household.”

## **80 INTERNAL AUDIT PERFORMANCE**

Consideration was given to a report from the Chief Internal Auditor on the activity and performance of Internal Audit during the nine months from April to December 2006. The Chief Internal Auditor advised that the percentage of productive days had fallen due to staff shortage.

RESOLVED: “That the information contained in the report be noted.”

## **81 TENANTS PANEL**

The Chief Internal Auditor advised that the Tenants Panel had requested that petty cash be issued to them to cover out of pocket expenses for travelling and stationery, and she requested the views of Members on the matter.

All Members of the Committee passed comment on the matter and it was agreed that if the request was to be agreed then strict guidelines be dawn up by the Director of Community Services.

The meeting terminated at 5.26pm