

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

Report of the meeting of the Audit Committee held in Conference Room No 3 on Wednesday 26 April 2006 at 3.00pm

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

Officers Present: J McConnell (Chief Internal Auditor), M Welsh (Principal Auditor) and C Turnbull (Democratic Services Officer).

### **35 APOLOGIES FOR ABSENCE**

There were no apologies for absence.

### **36 MINUTES OF MEETING HELD 12 JANUARY 2006**

RESOLVED: "That the minutes of the proceedings at the meeting of the Committee held 12 January 2006 copies of which had previously been circulated, be confirmed as being a correct record."

The Chairman proceeded to sign the minutes.

### **37 DECLARATIONS OF INTEREST BY MEMBERS**

There were no declarations of interest from Members.

### **38 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 2005/6 financial year and a schedule of recommendations made which monitors the implementation of the recommendations. The report provides executive summaries of audits completed for Payroll, Cash Collection & Banking and Rent Accounting; and details of the following high profile audits that covered areas where the control environment is subject to high levels of risk:

- Housing Benefits and Rent Allowances
- Selection of partners to deliver the HRA Capital Programme

RESOLVED:

#### **Cash and Banking**

"1. That proposals for CCTV coverage during the proposed relocation of the cash desk in the Civic Centre be reported to the next meeting.

2. That the Committee's concern over separate banking arrangements for leisure services income and the apparent inadequacy of the computer system

be referred to the Portfolio Holder for Leisure, Director of Development Services and Services Team Manager.

#### Rent Collection and Accounting

3. That the congratulations of the Committee be recorded to the Head of Housing Services for the second consecutive strong finding following audit.

#### Housing Benefits and Rent Allowances

4. That the Committee's concern over the lack of a system to check the subsidy claim be referred to the Director of Resources, with a direction that in future adequate checks are built into the programme for formulating claims.

5. That Councillor Richardson meet with the Principal Auditor in order to examine the access arrangements to computer files/work of former staff in the benefits section.

#### Selection of partners to deliver the Housing Revenue Account Capital Programme

6. That authority and responsibilities of tenants on contractor selection panels be referred to the Legal and Democratic Services Manager with a view to a Code of Conduct and delegated authority for their involvement being developed.

7. That the rationale of 60% price:40% quality be referred to the Strong Communities Overview and Scrutiny Panel for consideration as part of the Procurement Strategy.

#### Working at Home Arrangements

8. That the Head of Organisational Development report on the trial arrangements for working at home and on the associated security arrangements.

#### Fleet Management

9. That the Director of Development Services, Environmental Services Manager and Transport Manager be invited to a meeting of the Committee in relation to fleet management."

### **39 INTERNAL AUDIT PERFORMANCE**

Consideration was given to a report from the Chief Internal Auditor on the activity of and performance of Internal Audit for the 2005/6 financial year.

RESOLVED: "That the information contained in the report be noted."

#### **40 EXCLUSION OF PUBLIC AND PRESS**

RESOLVED: "That under Section 100A of the Local Government Act 1972, the Public and Press be excluded from the meeting for the following item of business on the grounds it involves the likely disclosure of exempt information as defined in paragraph 1 of Part 1 of Schedule 12A of the Act."

#### **41 RESTRUCTURE OF INTERNAL AUDIT STAFFING ARRANGEMENTS**

Consideration was given to a report from the Chief Internal Auditor that detailed a staffing structure for the Internal Audit Section that maximises the resources available.

The Chief Internal Auditor advised that the proposals contained in the report had been agreed by the Corporate Management Team and that consultation had been held with the Trade Unions and staff affected. It was anticipated the new structure would be in place by 1 June 2006.

RESOLVED: "That the proposed revised staffing structure as detailed in the report be supported."

The meeting terminated at 4.35pm

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