

THE MINUTES OF THE MEETING

OF THE AUDIT COMMITTEE

HELD ON THURSDAY 13 SEPTEMBER 2007

Present: Councillor G Pinkney (Chair)

Councillors B Bates, E Bell,
R Davison, G Johnson, R Liddle
and B Quinn

Apologies: Councillors Mrs G Bleasdale, K McGonnell
and P Stradling

1 **THE MINUTES OF THE LAST MEETING** held on 2 August 2007, a copy of which had been circulated to each Member, were confirmed subject to Councillors B Bates and E Bells' apologies for absence being included.

2 **MATTER ARISING FROM THE MINUTES**

(I) **Risk Management Progress Report**

The Chair reported that as agreed at the last meeting, he had met with the Executive Member for Improvement to discuss arrangements for ensuring that Management Action Plans were completed and that the Risk Register was used by Managers. It was hoped that this course of action would prevent further slippage but progress would continue to be monitored.

RESOLVED that the information given, be noted.

3 **INTERNAL AUDIT LOCAL PERFORMANCE INDICATORS 2006/2007**

Consideration was given to the report of the Audit Manager which advised Members of the local performance indicators for the Internal Audit Section for 2006/2007, a copy of which had been circulated to each Member.

G Fletcher, Audit Manager explained that during 2005 local performance indicators were set up to examine the quality of work within the Internal Audit Section. These were used by the Audit Manager to help monitor the output of the internal audit work from the Section.

The indicators established were customer satisfaction indicators to determine the overall level of satisfaction of audit work as expressed by the auditee, and quality indicators which were used to determine how effective and efficient the work of the Internal Audit Section was.

During 2006/2007 18 audits had been carried out and 15 were completed and reported by March 2007.

With regard to customer satisfaction indicators, questionnaires were sent out by the Audit Manager after each audit asking the auditee to mark and comment on satisfaction with the Section. The auditee was then asked to give an overall assessment of the audit work carried out.

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Of the 15 questionnaires sent out 14 had been returned and all were assessed as 'good' or 'very good'.

With regard to quality indicators the quality assessments for the completed audits were based on various performance indicators and these were detailed in the report for Members' information.

All the targets in relation to both customer satisfaction and quality indicators had been met.

A Member asked if the questionnaires had highlighted any areas that the Section wished to develop. G Fletcher advised that the Section valued any feedback received and personally discussed any comments made with individual Officers. He confirmed that he would pursue the receipt of the outstanding questionnaire with the Officer concerned, and as Members' requested he would circulate the completed questionnaires in future when reporting to Committee on the Section's local performance indicators.

RESOLVED that the information contained within the report, be noted.

4 NEW MONITORING PROCEDURES OF THE FINANCIAL ARRANGEMENTS FOR DISTRICT OF EASINGTON TENANTS AND RESIDENTS FEDERATION (DETRF)

Consideration was given to the report of the Audit Manager which gave details of new monitoring procedures in respect of the financial arrangements of the DETRF, a copy of which had been circulated to each Member.

G Fletcher advised that the new monitoring procedures were based on recommendations made by the Audit Committee Working Party following an investigation into the accounts of the DETRF. The procedures would ensure that proper financial monitoring arrangements were in place to give better accountability for the Council and the DETRF. They would be put in place immediately for the current set up, and would also be implemented following a review that was currently being carried out on the future role of a new Group to replace the DETRF.

The procedures related to the bank account of the DETRF and petty cash, details of which were set out in the report. The report also gave details of how all income and expenditure was to be monitored by the DETRF and the Council's role in ensuring that the arrangements put in place were followed.

In relation to income and expenditure, Members asked that where the procedures referred to 'should', these be amended to read 'must', ie the DETRF must ensure that income and expenditure was all properly recorded and accounted for by examining a report from the Treasurer at each monthly meeting, which must record all transactions (including petty cash) during that month, with the books made available by the Treasurer. The Council must ensure that these arrangements were followed by making sure that the Constitution was in place and was being followed, that adequate procedures were in place and were understood by all Members of the DETRF, by agreeing the audited annual accounts and by attending DETRF meetings.

A Member suggested that these procedures could be used as a model for any other organisations which the Council had similar working arrangements with.

RESOLVED that any future funding of the DETRF or its equivalent be dependent on the procedures being put in place to the satisfaction of the Head of Housing and the Audit Manager, which would be confirmed by a follow up audit within 3 months.

5 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED that in accordance with Section 100A (4) of the Local Government Act, 1972 as amended by the Local Government (Access to Information) Act, 1985 the press and public be excluded from the meeting for the following item of business on the grounds that it involved the disclosure of exempt information, as defined in Paragraphs 2 and 3, Part 1 of Schedule 12A of the Act.

6 DISTRICT OF EASINGTON TENANTS AND RESIDENTS FEDERATION (DETRF)

Consideration was given to the report of the Audit Committee Working Party which reported on its findings in relation to the financial arrangements of the DETRF, a copy of which had been circulated to each Member.

RESOLVED that, subject to the outcome of the review of the DETRF, the recommendations of the Audit Committee Working Party, as outlined in Section 6.1 in the report, be endorsed.