
AUDIT COMMITTEE28 JUNE 2012

Present:- Councillor M J Page (Chairman), Councillor D C Skeels (Vice-Chairman), Councillor S H Challinor, Councillor M J Talbot.

In Attendance:- Head of Resource Management, Finance and Procurement Manager, Head of Internal Audit, Senior Democratic Services Officer.

Also in Attendance:- Banita Ludhor (Audit Commission - Team Leader for Tendring District Council).

(10.00 a.m. - 11.00 a.m.)

1.. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillor Double.

2. MINUTES

The minutes of the meeting of the Committee held on 22 March 2012 were approved as a correct record and signed by the Chairman.

3. REPORT ON INTERNAL AUDIT – MARCH 2012, ANNUAL REPORT OF THE HEAD OF INTERNAL AUDIT 2011/12 AND ANNUAL REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL AUDIT

The Committee gave consideration to a report of the Head of Internal Audit which provided it with a periodic report on the internal function for March 2012, the Head of Internal Audit's annual report and the annual review of the effectiveness of the system of internal audit as required to comply with legislative requirements and best practice.

Having considered the report it was:-

RESOLVED – (a) That the contents of the report be noted.

(b) That a report be submitted to the next meeting of the Committee in respect of the proposed localisation of Council Tax support in order to enable Members to investigate whether there are any risk management issues arising from such areas as fraud management, staffing resources and information technology resources.

(c) That the Temporary Head of Planning and the Regeneration Manager be required to attend the next meeting of the Committee in order to answer any questions Members may have on governance issues relating to their respective service functions.

4. ANNUAL GOVERNANCE STATEMENT 2011/12

The Committee's approval was sought in respect of the Annual Governance Statement for 2011/12. Members' approval was also sought in respect of an amended Code of Corporate Governance.

RESOLVED – (a) That the Annual Governance Statement for 2011/12 be approved.

(b) That the Chief Executive and the Leader of the Council be advised of the outcome of

the annual review and be authorised to sign the Annual Governance Statement for 2011/12.

(c) That the changes made to the Code of Corporate Governance be noted and that a revised document be published accordingly.

5. UPDATED FRAUD AND CORRUPTION STRATEGY, BENEFIT SECURITY STRATEGY AND PROSECUTION POLICY

The Committee's approval was sought in respect of an updated Fraud and Corruption Strategy, and an updated Benefits Security Strategy (which included the Prosecution Policy) following a periodic review.

Having considered the proposed updated documents, it was:-

RESOLVED – That the updated Fraud and Corruption Strategy, Benefits Security Strategy and Prosecution Policy be approved and implemented with immediate effect.

6. AUDIT COMMITTEE SELF ASSESSMENT UPDATE

Members considered an update on the Committee's self-assessment approach to reviewing its effectiveness. Having considered the update it was:-

RESOLVED – That the proposed actions set out in the Appendix to item A.4 of the Report of Head of Resource Management be approved, subject to the Officers investigating further opportunities for general Audit Committee training for Members.

7. AUDIT COMMITTEE – TABLE OF OUTSTANDING ISSUES

The Committee considered the progress made against items identified requiring further action or responses.

Banita Ludhor gave a verbal update to the Committee on the Audit Commission's workload in respect of this Council and also on other national issues.

RESOLVED – (a) That the progress made against the Table of Outstanding Issues, as set out in the Appendix to item A.5 of the Report of Head of Resource Management, be noted.

(b) That the Member Representation on Outside Bodies governance issue be added to the Table of Outstanding Issues.

8. AUDIT COMMITTEE - TABLE OF OUTSTANDING ISSUES

The Committee considered the progress made against items identified as requiring further action or responses.

RESOLVED - That the progress made against the table of outstanding issues, as set out in the Appendix to item A.6 of the Report of the Head of Resource Management, be noted.

9. AUDIT COMMITTEE WORK PROGRAMME 2012/13

The Committee's approval was sought in respect of their proposed work programme for the period April 2012 to March 2013.

RESOLVED – That the Audit Committee Work Programme for 2011/12, as set out in the Appendix to item A.7 of the Report of the Head of Resource Management, be approved,

subject to the Work Programme details being set out in meeting format rather than in thematic form in order to make it easier to read.

10. AUDIT COMMISSION'S AUDIT PLAN 2011/12

Members were presented with a report for their consideration and to approve the Audit Commission's Audit Plan for 2011/12, along with a general Audit Committee update from the Audit Commission.

The Audit Plan set out the proposed Audit Fee as previously reported to the Committee at its meeting on 26 May 2011 (minute 6 referred), the proposed fee of £128,962 being within the overall external audit fee budget for 2011/12 of £181,390.

Carl Pettit from the Audit Commission gave Members an update in terms of the delivery of the Audit Commission's responsibilities as the Council's External Auditor (which was attached as an Appendix to item A.8 to the Report of the Head of Resource Management). This included an update in respect of the conclusion of the outsourcing work which had been undertaken by the Audit Commission following the Government's decision to abolish the Commission.

RESOLVED – (a) That the Audit Commission's Audit Plan for 2011/12 be approved.

(b) That the contents of the Audit Commission's Audit Committee Update 2011/12 be noted.

11. TABLE OF OUTSTANDING ISSUES

There was submitted a report by the Council's Corporate Director (Corporate Services) which presented to Members the progress against outstanding actions identified by the Committee.

It was reported that there were no significant issues to bring to the attention of the Committee, with updates provided against individual items, as set out in Appendix A to item A.6 of the Report of the Corporate Director (Corporate Services). It was confirmed that the three items in Appendix A of the afore-mentioned report were a snapshot at this time and that the Committee would be kept up to date on the issue of the Council being able to appoint external auditors in 2017/18 and Mr Barrett gave further clarification on that issue. Further information was set out in Appendix B to that report that gave updates against actions identified within the Annual Governance Statement, again with no significant issues to highlight at the present time.

Mr Barrett also informed the Committee that the department had currently been working with insurers concerning a property risk audit.

Other matters reported for the Committee's consideration were the Code of Corporate Governance, how the department was dealing with fraud issues as identified in the afore-mentioned report. Mr Barrett informed the Committee he would report on updates as appropriate and include this as an item on future Table of Outstanding Issues reports along with arrangements in respect of the Garden Communities project that is currently being developed with Local Authority

Having discussed the contents of the report it was:

RESOLVED that the progress against the Table of Outstanding Issues be noted.

12. ITEMS SCHEDULED FOR THE NEXT MEETING OF THE COMMITTEE IN JUNE 2016

The Committee noted that the date for its next meeting was Thursday 23 June 2016 commencing at 7.30 p.m. in the Council Chamber, in the Council Offices, Thorpe Road, Weeley.

It was reported that items currently scheduled for that meeting included:

- 1) Annual Report of the Head of Internal Audit and Annual Review of Effectiveness of System of Internal Control
- 2) Internal Audit Regular Monitoring Report
- 3) Annual Governance Statement (including review of the Council's Code of Corporate Governance)
- 4) Corporate Risk Register (six monthly review)
- 5) Table of Outstanding Issues (including update against External Audit Recommendations)

The Chairman thanked the Officers and also Chris Hewitt and Kevin Suter for all the help, advice and assistance that they had given him and the Committee. He also thanked the Members of the Committee for their input and commitment to the work of the Committee.

Chairman