

AUDIT COMMITTEE21 MARCH 2013

Present:- Councillors Page (Chairman), Challinor, I J Henderson, Platt and Talbot

In Attendance:- Corporate Director (Corporate Services), Finance and Procurement Manager (Richard Barrett), Leisure Manager (Michael Carran), Head of Internal Audit (Steve Blake), Parking Operations Manager (Nikki Nepean) (items 27 - 31 only), Licensing Officer (Alan Tolmie) (items 27 - 31 only), Benefits Team Leader (Keith Jacobs), Assistant Licensing Officer (Emma King) (items 27 – 31 only), Senior Democratic Services Officer (Ian Ford) and Legal Support Apprentice (Rachel Tappenden)

(10.00 a.m. - 11.18 a.m.)

27.. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

An apology for absence was submitted on behalf of Councillor Skeels, with Councillor Platt substituting.

The Committee was informed that Councillor I J Henderson had been appointed to serve on the Committee in place of the late Councillor Double.

The Chairman paid a personal tribute to the late Councillor Double and, in particular, to his work as a member of the Committee and he led all persons present in a silent tribute to Les' memory.

Councillor Talbot reminded Members that Les had played an instrumental role in the creation of the Committee.

28. MINUTES

The minutes of the meeting of the Committee held on 13 December 2012 were approved as a correct record and signed by the Chairman.

29. DECLARATIONS OF INTEREST

There were none on this occasion.

30. VERBAL UPDATES BY OFFICERS

The Committee received verbal updates by Officers and asked questions on the following issues:

(1) Parking Services

In response to the previously raised risk management issues relating to delays in the banking of monies and the reconciliation of data from the pay and display machines, the Parking Operations Manager (Nikki Nepean) informed the Committee that procedures had been put in place to ensure that parking services officers banked monies as soon as possible after the machines were emptied and that she personally reconciled the data from the machines at the end of each month.

(2) Licensing Enforcement

The Licensing Officer (Alan Tolmie) circulated to the Committee a written summary of the schedules and procedures for carrying out licensing enforcement checks. However, he reported that one of the Council's two licensing enforcement officers would shortly be taking up a new post within the Council. This could have a negative impact on the amount of licensing enforcement work that could be undertaken until such time as that vacant post was filled or considered as part of the on-going fundamental service review process. Mr Tolmie also updated Members on moves to introduce a hackney carriage rank within the Waterglade Retail Park, Clacton-on-Sea.

The Finance and Procurement Manager (Richard Barrett) undertook to add licensing enforcement to the Committee's "Table of Outstanding Issues".

(3) Princes Theatre Box Office System

The Leisure Manager (Michael Carran) reminded Members that there had been PCI compliancy issues with the old and unreliable DOS based Box Office system. He was pleased to report that a new fully PCI compliant system had been installed which interfaced with the Council's Capita finance system and which was working well.

The Committee noted the foregoing.

31. THE LOCAL COUNCIL TAX SUPPORT SCHEME – PROJECT RISK ANALYSIS

Further to minute 22 (13.12.12) the Committee gave consideration to an update report of the Corporate Director (Life Opportunities) on the potential risks to the Council of the Local Council Tax Support Scheme (LCTS), which would come into effect on 1 April 2013. The Council had approved the Local Council Tax Scheme at the meeting of the Council held on 27 November 2012.

Issues raised by the Committee included:

- (1) Equality and Diversity risks and assessments;
- (2) Whether there was a governance framework in place to record issues raised by affected claimants to enable them to be taken into consideration in relation to formulating the LCTS for 2014/15;
- (3) The potential impact on Council Tax collection rates; and
- (4) The potential impact on jobs in certain traditionally low paid sectors of the economy such as care for the elderly.

It was:

RESOLVED that the latest position in respect of the risks associated with the implementation of LCTS schemes across Essex from 1 April 2013 be noted.

32. INTERNAL AUDIT PLAN 2013/14

The Committee had before it a report of the Head of Internal Audit which sought its approval for the Internal Audit Plan for 2013/14 and arrangements for delegated authority for plan amendments that became necessary during the course of the year.

The Committee was made aware that The Public Sector Internal Audit Standards would apply from 1 April 2013 and were therefore applicable to the 2013/14 Internal Audit Plan. In addition, CIPFA Guidance regarding the interpretation of those standards was expected to be published on 5 April 2013. The Head of Internal Audit (Steve Blake) informed Members that any issues of non-compliance regarding the Plan that arose following receipt of the Guidance would be reported to the Committee.

It was moved by Councillor Talbot, seconded by Councillor Challinor and:

RESOLVED that

(a) the Internal Audit Plan for 2013/14 be approved; and

(b) the existing arrangements for updating the plan during the year, where necessary, to reflect changing Authority activity and operational needs and to provide flexibility of service delivery be continued and that significant amendments be reported to this Committee as part of the periodic Internal Audit reporting arrangements.

33. REPORT ON INTERNAL AUDIT: DECEMBER 2012 – MARCH 2013

The Committee had before it a report of the Head of Internal Audit which provided the Committee with the periodic report on the internal audit function for the period December 2012 – March 2013.

Matters drawn to the Committee's attention by the Head of Internal Audit included:

(1) The previously scheduled Housing Strategy and Development and Public Relations audits;

(2) An outstanding Casual Staff Holiday Pay calculation process issue at Harwich Sports Centre where an update was also provided by the Leisure Manager; and

(3) The Tendring Careline/CCTV audits.

Members also discussed procedural issues around planning enforcement.

Following consideration of the report it was moved by Councillor Challinor, seconded by Councillor I J Henderson and:

RESOLVED that

(a) the contents of the report be noted;

(b) the 2012/13 Internal Audit Plan be adjusted to remove the Housing Strategy and Development and Public Relations audits at this time;

(c) an update report to be submitted to the next meeting of the Committee on risk issues relating to the repair and maintenance of CCTV and that the relevant Portfolio Holder be informed, as a matter of courtesy, that the Committee will be receiving such a report; and

(d) the planning update due to be considered by the Committee at its June meeting also covers procedural issues around planning enforcement.

34. AUDIT COMMITTEE WORK PROGRAMME 2013/14

The Committee's approval was sought in respect of its proposed work programme for the period April 2013 to March 2014.

It was moved by Councillor Talbot, seconded by Councillor I J Henderson and:

RESOLVED that the Audit Committee Work Programme for 2013/14, as set out in the Appendix to item A.4 of the Corporate Director (Corporate Services) and amended as necessary to reflect decisions taken during this meeting, be approved.

35. AUDIT COMMITTEE – TABLE OF OUTSTANDING ISSUES

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

Members were aware that, in previous reports, the Committee had also been kept informed of the progress in the development of a revised approach to risk management within the Council. This was still under development with a pilot currently on-going within one department. Although final proposals were expected to be presented to the Committee in September 2013, as an interim update, the proposed approach to risk management was set out in Appendix B to item A.5 of the Report of the Corporate Director (Corporate Services) for Members' information at this stage.

It was moved by Councillor Talbot, seconded by Councillor Challinor and:

RESOLVED that

(a) the progress made against the Table of Outstanding Issues, as set out in the Appendix to item A.5 of the Report of the Corporate Director (Corporate Services), be noted; and

(b) the Officers investigate providing training, in due course, for the Committee in respect of risk management.

36. REVIEW OF THE COMMITTEE'S TERMS OF REFERENCE

The Committee had before it a report of the Corporate Director (Corporate Director) (Corporate Services) which present for review its terms of reference.

The Committee recalled that, at its meeting held on 28 June 2012 (minute 6 referred), it had decided that a review of its terms of reference be included in its work programme. Officers had undertaken that review and were proposing some minor amendments to the terms of reference of the Committee to be put forward as part of the wider review of the Council's Constitution that was currently under way.

Having considered the Committee's terms of reference it was moved by Councillor Talbot, seconded by Councillor Platt and:

RESOLVED that the proposed amendments to the Committee's terms of reference, as set out in the Appendix to item A.6 of the Report of the Corporate Director (Corporate Services), be approved for inclusion in the wider review of the Constitution currently underway that would be recommended to Council later in the year.

37. ANY OTHER ITEMS WHICH THE CHAIRMAN DECIDES ARE URGENT

There were no urgent items on this occasion from the Chairman.

Councillor Talbot raised concern that the Council had had to pay VAT on meals provided free of charge at the recent Pride of Tendring Awards Night, which was a charitable event. The Finance and Procurement Manager (Richard Barrett) undertook to arrange a meeting with Councillor Talbot to discuss this matter further.

Chairman