

AUDIT COMMITTEE

22 MARCH 2012

REPORT OF HEAD OF RESOURCE MANAGEMENT

A.6 AUDIT COMMITTEE – TABLE OF OUTSTANDING ISSUES

(Report prepared by Richard Barrett)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To present to the Committee the progress against outstanding actions identified by the Committee.

EXECUTIVE SUMMARY

The Table of Outstanding Issues has been reviewed and updated since it was last considered by the Committee at its 19 January 2012 meeting.

To date there are no significant issues to bring to the attention of the Committee, with brief updates provided against individual items set out in **Appendix A** or further details included in reports appearing elsewhere on the agenda as necessary.

RECOMMENDATION(S)

That the Committee reviews and notes the progress against the Table of Outstanding Issues.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The existence of sound governance, internal control and financial management practices and procedures are essential to the delivery of Corporate priorities supported by effective management and forward planning within this overall framework.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

There are no significant financial implications associated with monitoring and implementation of agreed actions or responses. If additional resources are required to deliver an agreed action then appropriate steps will be taken including any necessary reporting requirements.

Risk

The Table of Outstanding Issues is in itself a response to potential risk exposure with further activity highlighted to address matters raised by the Audit Committee.

LEGAL

There are no legal implications associated with the monitoring and implementation of the agreed actions.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.

This report does not have a direct impact although such issues could feature in future recommendations and actions. Any actions that may have an impact will be considered and appropriate steps taken to address any issues that may arise.

PART 3 – SUPPORTING INFORMATION

TABLE OF OUTSTANDING ISSUES

A Table of Outstanding Issues is maintained and reported to each meeting of the Committee. This approach enables the Committee to effectively monitor progress against issues and items it has raised as part of its governance responsibilities.

An updated Table of Outstanding Issues is set out in **Appendix A**.

Update Against Issues Raised

Actions identified by the Committee at its 19 January 2012 meeting have now been included whilst conversely items reported as complete have now been removed if no outstanding actions remain.

Work is either scheduled or remains on-going against all remaining items and to date there are no significant issues to highlight.

Interim Update on On-Going Items

The on-going activities shown in **Appendix A** relate to matters that are covered in more detail within separate and regular reports presented to the Committee. However to ensure the Committee are kept informed on a timely basis, an interim update against these activities will be reported within the Table of Outstanding Issues where appropriate.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

Appendix A – Table of Outstanding Issues (March 2012)

AUDIT COMMITTEE - Table of Outstanding Issues (March 2012)

| Governance Area | Activity / Subject | Recommendation / Issue | Lead Service | Progress / Comments | Status - Target Date |
|--|---|---|---------------------------------|--|----------------------|
| Audit Committee Effectiveness | Periodic review of the operation and effectiveness of the Audit Committee. | The Committee have considered a number of reports culminating in the consideration of the outcomes from a self assessment exercise that was reported to the Committee at its 16 December 2010 meeting. The Committee resolved: <i>a) that the outcomes of the self assessment be noted and the proposed responses be approved and b) that an external peer review is not undertaken at the present time.</i> | Finance and Procurement Manager | A number of actions have been taken as previously reported to the Committee. However a formal follow up of the outcomes from the self assessment including a more detailed update against each action has been included within the Committee's work programme for 2012/13 set out elsewhere on the agenda. | Sep-12 |
| Risk Management | Membership of Outside Bodies | In following up an outstanding item, at its 19 January 2012 meeting the Committee resolved: <i>That Cabinet be made aware that the review of the Membership of Outside Bodies has been on the Committee's Table of Outstanding Issues for a significant period of time and that the Committee feels that it is now very important that this review should be completed by the time of the next meeting of the Committee in March 2012 as the Committee feels that this is now having an adverse effect on the reputation of the Council.</i> | Head of Resource Management | The Committee's comments were considered by Cabinet at its 15 February 2012 meeting who resolved: <i>That the recommendations made by the Audit Committee be noted.</i> | - |
| Community Engagement and Service Delivery | DisabledGo | In considering and item referred to the Committee by Cabinet, at its 19 January 2012 meeting the Committee resolved: <i>(a) Following a review of the relevant information and subsequent discussions in response to the request from Cabinet, the Committee are satisfied that expenditure was incurred in accordance with the agreed DisabledGo budget and with appropriate transparency.</i> <i>(b) However, against the background of the financial challenges currently faced by the Council, the Committee feels that the Council should look to identify an alternative approach, such as an in-house solution, to provide a reasonable and cost effective reference point for residents and visitors to Tendring, which could include working with the voluntary sector, to be concluded within three months.</i> | Head of Resource Management | The Committee's comments were considered by Cabinet at its 15 February 2012 meeting who resolved: <i>That the recommendations made by the Audit Committee be noted.</i> | - |

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| Internal Audit | Outcomes from Internal Audit Monitoring Report | At its 27 June 2012 meeting the Committee resolved: <i>(d) That officers explore alternative ways of using change, rather than simply banking as cash.</i> | Head of Resource Management | The future provision of the Council's cash collection services is currently subject to change following the agreement to move to an outsourced bill pay service. It is therefore practical to further consider alternative uses of cash as part of the introduction of these changes over the course of the next financial year. | 2012/13 |
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INTERIM UPDATE - ONGOING ITEMS (more detailed information reported to the Committee via separate monitoring reports)

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| External Audit and Inspection | Implementation of Recommendations | Recommendations / opportunities for improvement are included in various reports received from the Audit Commission following the completion of audit work they are required to undertake. | Finance and Procurement Manager | Detailed monitoring of these issues are undertaken via the six monthly Audit Commission Recommendations Action Plan. The current position against outstanding items is set out elsewhere on the agenda. |
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