

EAST DEVON DISTRICT COUNCIL

Minutes of a Meeting of the Audit and Governance Committee held at Knowle, Sidmouth on 14 December 2006

Present: Councillors:
A J Wilkinson (Chairman)
J P Halse (Vice Chairman)

R W Boote
P Burrows
S C Luxton
C F A Gibbings
B J Toye

Also present: Councillor A T Moulding

Apologies: Councillor A R Giles

The meeting started at 4.30 pm and ended at 5.35 pm

***6 Minutes**

The minutes of the meeting of the Audit and Governance Committee held on 26 October 2006, were confirmed and signed as a true record.

***7 Audit and Governance Committee timetable**

The Chairman requested that the agenda timetable for the Committee should be re-circulated to Members because many changes had recently occurred.

RESOLVED: that the Internal Audit and Risk Manager circulate the timetable of future meetings to the Committee

***8 Exclusion of the Public**

RESOLVED: that the classification given to the documents to be submitted to the Board be confirmed and that the reports relating to exempt information be dealt with under Part B of the agenda.

***9 Audit Commission Presentation**

The Chairman welcomed Kieron Marston and Iain Pearcey from the Audit Commission who gave a brief presentation on the work which they carry out. They explained how the Commission carried out its activities and the purpose of their work with the Council and other organisations nationally.

Members noted that as with standard practice, it had been recommended that the Council change its auditors in 2007/2008 from the Audit Commission.

*10 **Internal Audit Plan Monitoring Reports;
SIC Action Plan and Implementation Schedule,
Key Audit Findings and Recommendations – 2006,
Progress Report on Action Plan,
2007/08 Audit Plan and options for consideration**

Consideration was given to the report of the Internal Audit and Risk Manager regarding the above reports. Members were asked to note the Audit Plan Monitoring documents which detailed audit assignments completed, in progress or delayed up to 22 November 2006.

Members noted that of the 13 actions/recommendations from the Audit Activity Report presented to the Committee on 26 October, 6 had been fully implemented, 4 partially implemented and 3 remained unimplemented.

- RESOLVED:**
- 1) that the Audit Plan Monitoring Document as at 22 November 2006 be approved and noted.
 - 2) that the SIC Action Plan and Implementation Schedule be noted.
 - 3) that the Key Audit Findings and Recommendations – 2006 Action Plan be noted
 - 4) that 2007/08 Internal Audit Plan and the proposed options / changes and associated risks be noted

*11 **A programme of performance indicators for data quality checking by
Internal Audit in spring 2007**

Consideration was given to the report of the Policy Manager regarding the choice of performance indicators which should be checked by Internal Audit in spring 2007. Members noted that the Council was considered as 'Low Risk' by the Commission in 2006 following the first two stages of the Data Quality Audit and as a result was only subject to spot-checks of two sample BVPIs. It was noted that these spot checks unfortunately revealed problems with data collection and reporting for the two selected BVPIs and as a result the Council would be classed as 'High Risk' in 2007 with four BVPIs being subject to in-depth spot checks. Members were asked to consider and approve the 18 BVPIs as proposed for review by Internal Audit.

- RESOLVED:**
- 1) that the programme of PIs to be reviewed for data quality purposes by Internal Audit in spring 2007 as listed in Table 2 of the report be approved
 - 2) that the Committee re-evaluates the list as agreed in (1) above in light of a progress report on the review of arrangements for BVPIs by Heads of Service at the next meeting of the Committee on 15 March 2007
 - 3) that the importance of the BVPI data be re-emphasised to Heads of Service.

***12 Member Training**

Consideration was given to the report of the Corporate Director, Economy regarding the training of Committee members. It was noted that recent training had been carried out and completed successfully. During the course of the training the need for additional training, such as ICT infrastructure and the control environment and particularly on financial matters had been identified. It was proposed to hold such training in July of 2007 prior to the receipt of the statement of accounts. The Chairman added that it was most important for all Members of the Committee to understand any report which might be considered by the Committee.

RESOLVED that the Committee acknowledges the need for training on matters pertinent to the Audit and Governance Committee

***13 Exclusion of the Public**

RESOLVED that under Section 100(A) (4) of the Local Government Act 1972 the public (including the press) be excluded from the meeting as exempt information, of the description set out in the agenda is likely to be disclosed and on balance the public interest is in discussing the items in private session (Part B).

***14 Complaint referral to Internal Audit**

Consideration was given to the report of the Policy Team regarding complaints received by the Council during 2006. Of these complaints, two had been received which raised concerns about robust procedures not being in place. Members were asked to consider a course of action to ensure prevention of future complaints in these particular areas.

Members were also asked if the Committee should continue to receive such reports where complaints highlighted that procedures were not found to be robust enough.

- RESOLVED:**
- 1) that the Heads of Service concerned take appropriate action to ensure that robust procedures are put in place and that the Internal Audit Team include these processes in their next audit of the services
 - 2) that the Audit and Governance Committee receive on a quarterly basis, a report of any complaints which highlighted that procedures were not found to be robust in a particular area

Chairman Date.....