

EAST DEVON DISTRICT COUNCIL

Minutes of a Meeting of the Audit and Governance Committee held at Knowle, Sidmouth on 20 December 2007

Present:

Councillors:

S C Luxton (Chairman)
T J R Wood (Vice Chairman)

D G Atkins
R W Boote
D G Button
C F A Gibbings
J P Halse

Also present:

Councillors:

A T Moulding, Portfolio Holder Resources
G M Troman, Member Champion – Data Quality

Kathryn Rees, Audit Commission

Officers Present:

Tanith Clark – Internal Audit and Risk Manager
Simon Davey – Head of Finance
Diccon Pearse – Corporate Director - Economy
Mark Williams – Chief Executive
Diana Vernon – Democratic Services Manager

Apologies:

Councillors:

R Bloxham, Member Champion – Risk Management
K C Potter

The meeting started at 4.30 pm and ended at 5.45 pm

*24 **Minutes**

The minutes of the meeting of the Audit and Governance Committee held on 27 September 2007, were confirmed and signed as a true record.

*25 **Local Government Ombudsman Annual Letter**

The Chief Executive advised that the Annual Letter had already been referred to the Executive Board at its meeting on 28 November 2007. The Board had noted the Letter and referred it to the Audit and Governance Committee for consideration.

The Letter summarised the interactions between the Ombudsman and the Council and set out lessons that could be learnt and key issues. The Chief Executive drew attention to the 20% reduction in the volume of complaints received over the last year. He advised that complaints were largely planning related and that this reflected the national picture. The Committee suggested that it would be helpful to examine the planning complaints to see if there were any common elements that could be addressed. In response, the Chief Executive advised that most complainants had gone to the Ombudsman because they were unhappy with a planning decision made.

No formal reports of maladministration or maladministration causing injustice had been issued for the third year running.

***25 Local Government Ombudsman Annual Letter (cont)..**

The Council's average time for responding to complaints had improved significantly from 41.2 days for 2005/06 to 26.4 days in 2006/07 which was below the 28 day target set by the Ombudsman. Members of the Committee asked if this response time could be further reduced. Members would be advised of the average response time so far this year for monitoring purposes.

- RESOLVED:**
- 1) that the content of the Annual Letter be noted,
 - 2) that Members be advised of the average response time to Ombudsman enquiries this year to date.

***26 Data Quality Review**

Kathryn Rees from the Audit Commission reminded the Committee of steps taken last year to raise the profile of data quality within the organisation. The Commission had set down the principles for good data quality and Kathryn now reported that the Council had made great improvements, embracing the Commission's recommendations, including improvements to management arrangements, training and procedures. From an Audit Commission score of 1 last year, the Council now scored 3. The Commission had looked at a number of Best Value Performance Indicators (BVPI) and found that these had been fairly stated and supported by clear data. In conclusion the Commission had found that the Council had strengthened its governance and leadership, had undertaken rigorous checks, had clarified Officer responsibility for data and improved monitoring arrangements.

Members were advised that the Data Quality Policy had been approved by Senior Management and would be referred to the next meeting of the Executive Board in January for consideration. The Council had also appointed a Data Quality Member Champion to increase the focus and importance of accurate data collection and use.

Members noted the recommendations in the action plan which the Council had agreed and put in place.

The Portfolio Holder – Economy recognised the need for good data collection and emphasised the importance of being able to access this information and draw from it meaningfully to produce useful reports. Diccon Pearce, Corporate Director, advised that the Council was in the process of purchasing software which would facilitate this. Software to link data with reporting in respect of asset management was timetabled to be in place by July 2008.

Members discussed BVPIs and how Members had a role in agreeing priorities.

The Portfolio Holder – Resources acknowledged the positive message within the report. He confirmed that the Data Quality Member Champion would help to sustain improvements in data collection, storage and use. He acknowledged that on-going training for all staff and data quality monitoring was essential.

- RESOLVED:** that the Audit Commission Data Quality Review report be noted.

***27 Financial Statements Report**

The Head of Finance formally presented the issues raised by the Audit Commission's Financial Statements report. The approach adopted, main conclusions and the number of recommendations within the report were summarised in the Action Plan at Appendix 1 of the report. All of the action points in the Plan had now been achieved or agreed within the timescale. The positive report was welcomed by the Committee and Officers were congratulated for effecting and progressing improvements.

***27 Financial Statements Report (cont)..**

RESOLVED that the Audit Commission's Financial Statements report be noted together with the actions achieved or agreed as summarised in the Action Plan (Appendix 1) of the report.

***28 Internal Audit Activity 1 October to 31 December 2007**

The Internal Audit and Risk Manager referred Members to the report from the Audit Commission on Data Quality Review and advised that some days had been included in the new 5 year Internal Audit Plan to monitor data quality in forthcoming years. She also advised that the validation of partners' data would be included in the corporate governance work plan.

The Internal Audit and Risk Manager's report included the Audit Plan monitoring to 31 December 2007, the key audit findings, risks and recommendations and the Statement of Internal Control (SIC) Action Plan monitoring.

The Manager advised that the Housing Benefit audit had now been completed and the detailed responses to recommendations would be presented to the Committee in March via the Audit Plan Monitoring document. In addition the Licensing Audit was now complete.

The Manager highlighted the audit assignments not yet commenced because of the lack of resources within the section. This would be resolved in the short term by appointing a consultant for 3 months in the New Year. In the longer term, the Council was looking at how vacant posts could be filled and how the right candidates could be attracted to apply for the vacancies.

The Manager advised that good progress had been made on the recommendations within the Action Plan covering internal audit key findings, risk and recommendations and that only four recommendations remained outstanding. In response to a question, the Head of Finance advised that there were problems with reconciling cheques electronically. The reconciliations were currently being undertaken manually and the Council was in consultation with Cedar, as the software supplier, to address the problem.

The Manager advised that the SIC Action Plan (Statement of Internal Control) was being monitored, and the two areas of concern related to points 7 and 8 within Street Scene.

- RESOLVED:**
- 1) that the Audit Plan Monitoring document be approved,
 - 2) that Members continue to monitor and keep under review the Statement of Internal Control (SIC) Action Plan and the Key Audit Findings, Risk and Recommendations.

***29 Corporate Governance Activity**

Members of the Committee considered the report of the Internal Audit and Risk Manager regarding the Corporate Governance Activity for the period 1 October to 31 December 2007. This included the Corporate Governance Assurance Statement – Action Plan and the Corporate Governance Work Plan 2007/08. The Manager confirmed that the areas for improvement within Appendix 1 were actively monitored and up-dated. Many issues would be completed in December and January and would be reported to the Committee in March.

A future programme of work would be considered at the next meeting of the Committee. Members were invited to suggest possible areas for improvement, for example the layout of the web site for improved public access and governance issues from a Member point of view.

*29 **Corporate Governance Activity (cont)..**

- RESOLVED:**
- 1) that Members continue to monitor and review the Corporate Governance Assurance Statement – Action Plan
 - 2) that the work undertaken in the Corporate Governance Work Plan be approved
 - 3) that, where not met, Officers responsible for areas of improvement, be invited to attend the March meeting of the Committee to provide additional information and justification.

Chairman Date.....