

SUMMARY OF DECISIONS TAKEN

MEETING: **Audit Committee – Monday 7 March 2011 – 18.00 hrs. - Shimkent Room, Daneshill House, Stevenage, SG1 1HN**

MEMBERS PRESENT: Councillors L Chester (Chair), P Bibby CC, D Cullen, B Jackson and R Parker CC.

INDEPENDENT MEMBER: Brian Mitchell

ALSO PRESENT: Councillor Mrs J Lloyd and Phil Westerman and Nick Taylor (Grant Thornton)

1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST	ACTION/LEAD
<p>There were no apologies for absence nor declarations of interest.</p> <p>The Chair informed the meeting that item 9 ‘Group Accounts’ would be dealt with after item 4 on the agenda.</p>	<p>G Moody Ext 2203</p>
2 MINUTES – SPECIAL AUDIT COMMITTEE - 17 FEBRUARY 2011	
<p>It was RESOLVED that the Minutes of the meeting of the Special Audit Committee held on 17 February 2011 be approved as a correct record and signed by the Chair.</p>	<p>G Moody Ext 2203</p>
3 EXTERNAL AUDIT PLAN (2010/11)	
<p>Concerns were expressed over the level of the External Auditors fee and the increase of 9% over the previous year. In reply to a question it was confirmed that the fee was based on a formula applied to the Council’s gross expenditure, a figure supplied by the Head of Finance.</p> <p>In reply to a further question it was confirmed that the budget reflected the increase in Audit charges.</p>	<p>C Fletcher Ext 2933</p>

<p>Phil Westerman undertook to determine if the transfer of the Concessionary Fares Scheme to the County Council had been taken into account in the setting of the fee, or if the consolidation of the Stevenage Homes Limited accounts would have an impact.</p> <p>The Committee was advised that early indications of the 2011/12 fee suggested that it would be in the region of £140,000.</p> <p>It was RESOLVED that the External Audit Plan (2010/11) be noted.</p>	<p>P Westerman</p>
<p>4 EXTERNAL CERTIFICATION WORK REPORT (2009/10)</p>	
<p>It was RESOLVED that the External Certification Work Report (2009/10) be noted.</p> <p>A member requested that in future the agenda identify the action required by the Committee with regard to reports from the External Auditors.</p>	<p>C Fletcher Ext 2933 G Moody Ext 2203</p>
<p>5 DATA QUALITY ACTION PLAN</p>	
<p>The Committee was advised that the recommended actions from the audits of 2006/07, 2007/08 and 2009/10 had been completed.</p> <p>In reply to a question concerning the ability of the Council to collate accurate data as a result of budget efficiencies the Committee was advised that the Balanced Scorecard review would ensure that there would be no additional risk to the quality of data collected. Reviews of the Balanced Scorecard by Heads of Service, Directors and SMB would serve as an early warning process of failures and ensure that mitigating actions were put in place. The Balanced Scorecard would also be monitored quarterly through the Audit Committee.</p>	

<p>In reply to a question the Committee was advised that the failure against National Indicator 157a was due to a calculation error, rather than a failure of the process and the Chief Internal Auditor undertook to prepare a report for the next meeting detailing the actions to be taken to ensure robust reporting in future.</p> <p>It was RESOLVED:</p> <ol style="list-style-type: none"> 1. That progress made against the actions set out in the Data Quality Action Plan 2010/11 be noted. 2. That the revised arrangements for officer monitoring of data quality be supported. 	<p>G Bains Ext 2426</p> <p>E Wright Ext 2192</p>
<p>6 INTERNAL AUDIT PROGRESS REPORT</p>	
<p>In reply to a question the Chief Internal Auditor undertook to present a report on the Audit of the Administration of Members' Allowances to the Committee once finalised. The Committee was advised that other reports could be presented to the meeting on request.</p> <p>It was agreed in principal that responsible officers appear before the Committee should the implementation of high priority recommendations overrun their agreed implementation date. It was proposed that an appearance be scheduled before the Committee should the overrun exceed six months.</p> <p>It was RESOLVED:</p> <ol style="list-style-type: none"> 1. That the Internal Audit quarterly report as at 28 February 2011 (forecast) be noted. 2. That the amendments to the Audit Plan be approved. 	<p>G Bains Ext 2426</p> <p>G Bains Ext 2426</p>

7 2011/12 INTERNAL AUDIT PLAN	
<p>The Committee was advised that the model for the delivery of the Plan might change dependant on the outcome of the proposal to implement a shared service review for Internal Audit.</p> <p>It was RESOLVED that the 2011/12 Internal Audit Plan be approved.</p>	<p>G Bains Ext 2426</p>
8 DATA PROTECTION ACT COMPLIANCE	
<p>The Committee requested that the Borough Solicitor lead on informing all Council Members, as a matter of urgency, should a security breach, such as the loss of confidential data, occur.</p> <p>It was RESOLVED that the report be noted</p>	<p>P Froggatt Ext 2212</p> <p>H Lewis Ext 2496</p>
9 GROUP ACCOUNTS	
<p>This item was dealt with after item 4.</p> <p>It was confirmed that the External Auditors were in accord with the proposal to publish a single entity Statement of Accounts for 2010/11.</p> <p>It was RESOLVED that the proposed changes to the Statement of Accounts for 2010/11 be approved.</p>	<p>C Fletcher Ext 2933</p>
10 CORPORATE GOVERNANCE ARRANGEMENTS	
<p>It was RESOLVED:</p> <p>1: That the Council's self assessment against the requirements that form the six key principles of</p>	<p>C Fletcher Ext 2933</p>

<p>corporate governance in the CIPFA/SOLACE Framework, as set out in Appendix A to the report, be noted.</p> <p>2: That the progress made against actions identified for delivery in 2010/11, and actions planned for 2011/12 to enhance the Council's corporate governance arrangements, as identified in Appendix A, be noted.</p>	
<p>11 INTERNAL AUDIT SERVICE REPORT</p>	
<p>It was RESOLVED that the report be noted and the following comments be made to the Executive:</p> <ul style="list-style-type: none"> ○ The Audit Committee supports the delivery of Internal Audit through a shared service with Hertfordshire County Council and other Hertfordshire authorities. ○ The Audit Committee notes that the quality of service of Internal Audit Services has improved over the past couple of years and would wish to see the current level of service maintained, if not improved. ○ Risks needed to be identified together with mitigation, where possible, to address these issues 	<p>S Crudgington Ext 2185</p>
<p>12 URGENT PART I BUSINESS</p>	
<p>None</p>	
<p>13. EXCLUSION OF THE PRESS AND PUBLIC</p>	
<p>It was RESOLVED:</p> <p>1. That under Section 100 (A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as described in paragraphs 1-7 of Part I of Schedule 12A of the Act, as amended by SI 2006 No.88.</p>	

<p>2. That having considered the reasons for the following reports being in Part II it be determined that maintaining the exemption from disclosure of the information contained therein outweighs the public interest in disclosure.</p>	
<p>PART II</p>	
<p>14 STRATEGIC RISK REGISTER QUARTER 3 2010/11</p>	
<p>It was RESOLVED that the Quarter 3 2010/11 Strategic Risk Register be noted.</p>	<p>E Wright Ext 2192</p>
<p>15. URGENT PART II BUSINESS</p>	
<p>None</p>	