

STEVENAGE BOROUGH COUNCIL

AUDIT COMMITTEE MINUTES

Date: Tuesday 24 June 2008

Time: 6.00 p.m.

Place: Shimkent Room, Daneshill House, Danestrete, Stevenage

Present: Councillors R. Raynor (Chair), J. Gardner
(Vice Chair), Bob Clark, J. Hollywell,
Margaret Notley and Brian Mitchell
(Independent Member)

Agenda Item:

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In Attendance: Councillor Mrs J Lloyd

Start/End Time: Start Time: 6.00 p.m.
End Time: 8.05pm

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

No apologies for absence were received and no declaration of interests made.

2 MINUTES

It was RESOLVED that the Minutes of the Audit Committee held on 10th June 2008, having been circulated, be taken as read and signed as a correct record by the Chair subject to the following amendment :

The name 'Councillor Mrs J. Lloyd' be added as being in attendance at the meeting.

The Finance Projects Manager reported back to Members on the two issues of credit notes and payroll services to voluntary organisations following the last meeting of June 10:

Credit Notes

The Finance Projects Manager informed the meeting that £31,000 of credit notes had been identified due to bad working practices over a long period. He assured the meeting that the Council had been taking action to recover the majority although some would have to be written off as they were uneconomical to pursue.

Payroll services to voluntary organisation:

The Strategic Director (Finance) informed Members that he was in the process of sending letters to the two identified organisations notifying them of the Council's intention to withdraw providing free payroll service. He stated he would provide further update at the next meeting.

3 STATEMENT OF ACCOUNTS 2007/08 AND CAPITAL CONTROL SYSTEM DETERMINATIONS

This report had not been included on the agenda for the meeting, nor had details been available 5 clear working days before the meeting. The Chair determined however that given that a decision was needed before the end of the month, he agreed it be considered on this occasion.

A revised page number 11 of the covering report and revised page number 66 of Appendix A -Statement of Accounts 2007/08 Draft V2 were distributed at the meeting.

The Committee considered a report from the Strategic Director of Resources (Chief Financial Officer) that sought approval of the 2007/08 Statements of Accounts and certain financing determinations required under the Local Government and Housing Act 1989 and the Local Authorities (Capital Finance and Accounting) Regulations 2003.

The Head of Finance reported that a lot of work had been undertaken to redress issues that had been raised by the Audit Commission at the last meeting and that the ground had been prepared for a new way of working, with a number of changes introduced.

The Head of Finance stated that the training sessions for Members of the Committee had been very constructive and any questions that could not be answered straight away would be responded to the following day, prior to the meeting of the Council. She reiterated that approval of the Statement of Accounts was required by Audit Committee and Council by 30 June 2008.

Members asked officers a number of questions on the covering report and the Statement of Accounts.

The Chair then took Members through the Statement of Accounts and in response to issues raised by Members it was agreed that the following amendments to the covering report and Appendix A be made.

- At paragraph 5.1.5, of the covering report, that the £'000 be added to the headings of the two columns of figures.

Appendix A:

- On page five, that the figure quoted for the number of Chargeable Dwellings for 2007/08 be amended to read '34,083';
- At page 19, Balance Sheet – Deferred Capital Receipts, that reference to note 25 be added to 27.
- At page 43 and page 80, under Sundry Creditors, that the following be added after the final paragraph: 'There were significant capital creditor accruals relating to, Growth Area Funding capital schemes which increased the value of accruals at the year end by £894,144 and Decent Homes heating and boiler replacements by £1,070,176.'
- At page 68, Capital Expenditure, Financing & Receipts, that 'Low Start Shared Ownership (LSSO) be added as a note under 'Other Land and Property.'
- For future publications the Committee would like to see that a note on page 5 explaining the basis used for the population figures quoted, be added to the table;

- At page 34, it was felt that it was difficult to understand what some of the headings referred to and it was requested that an example be provided under the headings 'Assets Under Construction' and 'Surplus for disposal';
- At page 32, Local Area Agreements, the wording of the last paragraph be amended to include the word 'County' before LSP;

It was RESOLVED:

1. That the 2007/08 Statement of Accounts as amended and capital financing determinations be recommended to Council for approval;
2. That the carry forward requests relating to under spent budgets totalling £150,970 for 2008/09 be recommended to Council for approval;
3. That £165,000 net transfer to reserves be recommended to Council for approval.

The Members of the Audit Committee expressed their thanks to the Head of Finance for all her hard work in preparing the report.

4 URGENT PART I BUSINESS

None

5 EXCLUSION OF THE PRESS AND PUBLIC

It was RESOLVED 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 1 of the Schedule 12A of the Act, as amended by SI2006 No.88

6 STRATEGIC RISK REGISTER AND RISK MANAGEMENT ARRANGEMENTS

The Committee considered a Part II report concerning the Strategic Risk Register and Risk Management Arrangements. The Finance Projects Manager responded to a number of questions from Members.

The Finance Project Manager informed Members that the item - Elections -1st May 2008 was on the register due to the loss of the Electoral Manager in the run up to the election and would be removed from the risk register when updated

It was RESOLVED :

- That the Strategic Risk Register as at Appendices A1-A4 of the report be noted
- That the progress in the development of the Council's risk management procedures be noted.

7 URGENT PART II BUSINESS

None