

STEVENAGE BOROUGH COUNCIL**AUDIT COMMITTEE
MINUTES****Date: Wednesday 9 September 2013****Time: 6.00 p.m.****Place: Shimkent Room, Daneshill House, Danestrete, Stevenage**

Present: Councillors: L Chester (Chair), J Gardner (Vice Chair),
P Bibby, J Hollywell, C Latif and R Parker CC.
Independent Member: B Mitchell.

Also Present: Sally-Anne Pearcey and Terry Barnett (Shared Internal
Audit Services (SIAS))

Started: 6.00 p.m.

Ended: 7.30 p.m.

1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

An apology for absence was received from Councillor D Cullen.

There were no declarations of interest.

2. MINUTES – AUDIT COMMITTEE – 29 MAY 2013

It was **RESOLVED** that the Minutes of the meeting of the Audit Committee held on 29 May 2013 be approved as a correct record and signed by the Chair.

3. ANNUAL ANTI FRAUD REPORT

The Committee had before it a report summarising the anti-fraud work undertaken during 2012/2013 by the Shared Internal Audit Service (SIAS).

In summing up the report the Officer advised the Committee that of the five high priority recommendations made during the year two had been fully implemented and the other three had been partially implemented to a level that eliminated the risk identified by the audit. Full implementation was dependant on an IT solution which was expected to be in place by December 2013.

The Committee was advised that a counter fraud baseline assessment had been undertaken across all clients in the SIAS partnership. In reply to a request the Strategic Director (Resources) undertook to

provide a report to the next meeting to cover the findings that related specifically to Stevenage. It was confirmed that the report would include a management response to any issues raised.

In reply to a further request the Strategic Director (Resources) undertook to provide a benchmark report detailing levels of fraudulent housing and council tax benefit claims across the County. It was noted that this would be a Part II report.

It was commented that 4 prosecutions from 188 fraudulent claims was low, and the Committee was advised that other levels of sanction had been applied where appropriate.

It was **RESOLVED** that the Annual Anti-Fraud Report be noted.

4. SHARED INTERNAL AUDIT SERVICES (SIAS) ANNUAL REPORT

The Committee received the SIAS Annual Report for 2013/2014.

In reply to a question concerning the SAIS Rolling Audit Balanced Scorecard as at 31 March 2013 the Audit Manager undertook to clarify the scoring mechanism used for the client satisfaction index.

Members asked a number of other detailed questions about the report which were answered by the Officer who stated that demonstrating value for money would be an on-going requirement of the service provided by SIAS.

It was **RESOLVED** that the report be noted.

5. INTERNAL AUDIT PROGRESS REPORT

The Audit Manager (Shared Internal Audit Service) presented a report to advise the Committee of progress against the 2013/14 Internal Audit Plan.

Concerns were expressed that 12% of planned projects had been completed against a profiled target of 24%. The Strategic Director (Resources) advised the Committee that failure to achieve target could also be attributable to management decisions made by the Council and undertook to provide a review of the 2013/14 Audit Plan together with a monthly update and more detailed forecasting.

Concerns were also expressed at the implementation of the high priority recommendations from the audit of the Buildings Materials Management Contract. The Strategic Director (Resources) advised the Committee that it was within their remit to call the relevant Assistant Director and Heads of Service to the next meeting should they consider it necessary.

It was **RESOLVED** that the Internal Audit Progress Report as at 26 August 2013 be noted.

6. ANNUAL TREASURY MANAGEMENT REVIEW 2012/2013.

The Committee considered the Annual Treasury Management Review which was presented by the Strategic Director (Resources).

The Committee was advised that the Review had previously been considered by the Executive and that any comments made by the Committee would be incorporated to the report to go before Council.

In reply to a question the Strategic Director (Resources) undertook to provide up to date details of the Council's Money Market funds.

Members asked a number of other detailed questions about the report which were answered by the Officer.

No comments to be incorporated into the Council report were made by the Committee.

It was **RESOLVED** that the Council be recommended to approve the 2012/2013 prudential and treasury indicators as detailed within the report.

7. URGENT PART 1 BUSINESS.

None.

8. EXCLUSION OF THE PRESS AND PUBLIC

It was **RESOLVED:**

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 it involved 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.

2. That having considered the reasons for the following items being in Part II it be determined that maintaining the exemption from disclosure of the information contained therein outweighed the public interest in disclosure.

PART II

9. PART II MINUTES – AUDIT COMMITTEE – 29 MAY 2013

It was **RESOLVED** that the Part II Minutes of the meeting of the Audit Committee held on 29 May 2013 be approved as a correct record and signed by the Chair.

10. STRATEGIC RISK REGISTER – QUARTER 1 2013/2014

The Strategic Director (Resources) presented the Quarter 1 Strategic Risk Register.

It was **RESOLVED:**

1. That the Strategic Risk register Quarter 1 2013/2014 be noted.
2. That developments on risk management issues be noted.
3. That the Corporate Risk Group updated Terms of Reference be noted.

11. URGENT PART II BUSINESS

None.

Chair