

**BROMSGROVE DISTRICT COUNCIL**

**MEETING OF THE AUDIT BOARD**

**MONDAY, 9TH JUNE 2008 AT 6.00 P.M.**

PRESENT: Councillors Miss D. H. Campbell JP, Mrs. H. J. Jones (during Minute Nos. 01/08 to 07/08), S. R. Peters, C. R. Scurrall, Mrs. C. J. Spencer and E. C. Tibby

Also in attendance: Ms. L. Cave, District Auditor, the Audit Commission and Councillor G. N. Denaro (Portfolio Holder for Finance)

Observers: Councillors R. Hollingworth and Mrs. J. D. Luck

Officers: Mr. T. Beirne, Ms. J. Pickering and Ms. D. Parker-Jones

1/08 **ELECTION OF CHAIRMAN**

**RESOLVED** that Councillor S. R. Peters be elected Chairman of the Board for the ensuing municipal year.

2/08 **ELECTION OF VICE CHAIRMAN**

**RESOLVED** that Councillor C. R. Scurrall be elected Vice-Chairman of the Board for the ensuing municipal year.

3/08 **APOLOGIES FOR ABSENCE**

No apologies for absence were received.

4/08 **DECLARATIONS OF INTEREST**

No declarations of interest were received.

5/08 **MINUTES**

The minutes of the meeting of the Audit Board held on 17th March 2008 were submitted.

**RESOLVED** that the minutes be approved as a correct record.

6/08 **ANNUAL AUDIT AND INSPECTION LETTER**

A copy of the Audit Commission's Annual Audit and Inspection Letter, which had already been referred to the Performance Management Board and the Cabinet, was considered. Ms. L. Cave, District Auditor with the Audit Commission, presented the report and highlighted the key elements of this. It was noted that, overall, Council services had improved over the last year, and

at a faster rate than other councils, but from a low base. The Council needed to continue to make improvements and ensure it did not become complacent, with value for money being the top focus for the coming year.

**RESOLVED** that the Audit Commission's Annual Audit and Inspection Letter be noted.

7/08     **AUDIT AND INSPECTION PLAN 2008/09**

The Board considered the Audit Commission's 2008/09 Audit and Inspection Plan. Ms Cave presented the Plan, which she advised would need to be reviewed once the Council's Statement of Accounts had been audited.

**RESOLVED** that the Audit Commission's Audit and Inspection Plan be noted and approved.

8/08     **INTERNAL AUDIT PERFORMANCE AND WORKLOAD**

Consideration was given to a report which provided a summary of the current performance and workload of the Internal Audit Section. The Head of Financial Services explained the background to the report and advised that future training on this would be provided.

Following vacancies in the Audit Team resources, 80% of the 2007/08 Audit Plan had been completed within the financial year, which it was noted was still 5% above target. Four audits had been deleted as agreed by the Audit Board, with four audits having been transferred to 2008/09. Arrangements were being looked into with Worcester City Council for interim cover for the vacant management post and KPMG, the Council's former external auditors, were acting as consultants on the Payroll and Customer Service Centre audits, which the Audit Commission had advised would need to be completed.

**RESOLVED:**

- (a) that the current status and work completed on the 2007/08 Audit Plan be noted and approved;
- (b) that the work completed by the Internal Audit Section between March and May 2008 be noted;
- (c) that the summary of investigations completed by the Internal Audit Section be noted;
- (d) that the current Internal Audit Performance Indicator statistics be noted; and
- (e) that it be noted that there were no new or updated Internal Audit documents to report.

9/08     **RECOMMENDATION TRACKER**

Members considered a report which provided a summary of previously selected audit report "priority one" recommendations. The Head of Financial Services stated that this was another area where training would assist Board members and advised that priority one recommendations were those which were fundamental to improving controls within the system. It was proposed

that any priority one recommendations which were still ongoing and outside of their target dates would be referred to the Corporate Management Team (CMT) for Heads of Service to monitor and action as appropriate.

The Head of Financial Services provided a number of updates in relation to recommendations and the Board specifically wished to place on record its concerns that there was only one Planning Enforcement Officer.

**RESOLVED:**

- (a) that the "priority one" recommendations detailed in Appendix A to the report be noted; and
- (b) that these be brought back to the Audit Board following referral to the Corporate Management Team.

10/08 **RISK MANAGEMENT TRACKER**

Consideration was given to a report which presented an end of year overview of Actions/Improvements detailed in business area Risk Registers for the period 1st April 2007 to 31st March 2008. The Head of Financial Services provided some background information on the Risk Register process and advised that although there had been significant improvements in the recording of updates, definitive target dates were not always being recorded and registers were not always being utilised as designed. However, there was a planned programme of risk management training which would support the development of a risk culture through the organisation.

**RESOLVED** that the progress to date against all business area risk register Actions/Improvements for 2007/08 be noted.

11/08 **POSSIBLE FUTURE AGENDA ITEMS/MEMBER TRAINING**

The Chairman requested that Members let him know if there were any topics on which they wished to receive training as part of their role on the Board, and if there were any specific issues that they wished the Board to give consideration to. He added that future issues for consideration might include:

- quarterly meetings with the Audit Commission;
- the Council's use of energy;
- information on the Local Government Pension Scheme and the Council's policy in this regard;
- Council policy on car loans;
- review of Job Evaluation plans and procedures; and
- shared services.

The meeting closed at 7.09 p.m.

Chairman