

Minutes

of a meeting of the



Audit and Corporate Governance Committee

held at 6.00pm on 26 september 2007

at council offices, crowmarsh gifford

Present:

Mr P Greene (Chairman)

Ms F Aska, Mr F Bloomfield, Mr P Cross, Mrs M Davies, Mr M Harris, Mr P Harrison, Mr C Hood, Mrs J Murphy (as substitute for Ms J Bland), Mr R Peasgood, Mrs A Purse, Mr D Turner (as substitute for Mr D Bretherton)

Apologies: Apologies for absence were submitted on behalf of Ms J Bland,

Mr D Bretherton and Mrs J Carr

Officers: Mrs S Baker, Mr D Buckle, Mr S Corrigan, Mr W Jacobs, Mrs B Lee,

Miss A Penn, Mr M Prosser, Mrs M Reed, Mrs N Thomas

Also present:

Ms A Ockleston, Audit Manager, and Ms M Grindley, Relationship Manager.

10. Minutes 26 June 2007

RESOLVED: to approve the minutes of the meeting held on 26 June 2007 as a correct record and agree that the chairman sign them.

11. May 2007 district and parish elections

The Committee considered the report of Mr D Buckle, Returning Officer, which provided information on the cost of and accounting arrangements for the district and parish council elections in May 2007 and recommendations to improve procedures and accountability for future elections.

In presenting the report Mr D Buckle noted that this was the first time a committee of the Council had received a report on the financing of elections. He noted that apart from the postage budget there was an underspend on all budgets. He highlighted those areas the officers had identified as areas for improvement set out in paragraph 13 of the report.

Mr D Buckle, Returning Officer, Mrs M Reed, Head of Legal and Democratic Services and Mrs B Lee, Electoral Services Officer, responded to comments and questions as follows:

- Approximately seven invoices for polling station hire were outstanding for which follow up letters had had been sent.
- There was an upward trend in postal voting and officers are confident the Council can cope with any increase.
- The overspend in the postage budget was due to a number of issues including an increase in postal votes above the estimated figure, an increase in postal charges, the cost of arranging ward sortation, the cost of Royal Mail sweeps on the evening of the election and the need to send additional letters to postal voters. Many of these issues would inform the budget setting process for future elections.
- Parish/town councils were charged entirely in accordance with the scale of fees and charges agreed by Council.
- The payment to the Returning Officer was made in accordance with the scale of fees and charges agreed by Council. The fee is remuneration for undertaking the legal duty of conducting the election and is not a payment reflecting time spent.
- The Council did negotiate a reduced fee from its contractor for those areas in which an unsatisfactory service was provided.
- The Council would consult with parish/town councils on the fee structure for the 2011 elections.

RESOLVED: to

1. note the information provided in the report on the costs of and accounting arrangements for the May 2007 elections
2. support the improvements for future elections suggested in paragraph 13 of the report of the Returning Officer.

12. Annual governance report and statement of accounts

Ms A Ockleston, Audit Manager, and Ms M Grindley, Relationship Manager, attended the meeting for this item and responded to questions.

The Committee considered the report of the Head of Finance on the final outcome of the 2006/07 accounts.

Mr W Jacobs, Head of Finance, summarised the key issues identified during the course of the financial statements for the year ended 31 March 2007 as set out in the report. He noted that the external auditor had made a number of amendments which were more presentational than substantive. He also advised the Committee that CIPFA had made changes to the layout of this year's accounts and officers had not had the opportunity to dry run the changes. This together with the receipt of further clarification of changes as late as 9 September and the resource implications arising from the implementation of the shared service and TUPE arrangements had presented the service with a challenging process.

Ms M Grindley introduced the Audit Commission's Annual Governance Report. The Committee noted the recommendations (R1 and R2) set out on page nine of the Annual Governance Report and the Audit Commission's intention to issue an unqualified value for money conclusion.

Mr W Jacobs, Ms M Grindley and Mr M Prosser, Strategic Director, responded to comments and questions as follows:

- The estimated fee increase of £15,000 set out at paragraph 33 of the Annual Governance Report reflected the additional Audit Commission time taken to audit the Council's financial statements.
- The Council has appointed a Chief Accountant who will start work on Monday 1 October.
- The Council had not made representations to CIPFA regarding the difficulty encountered operating the new system without a dry run.

The Committee noted that the Audit Commission anticipated giving the Council's Statement of Accounts an unqualified rating subject to the receipt of further evidence on a couple of issues.

RESOLVED: to

1. approve the Statement of Accounts
2. authorise the Head of finance, in consultation with the Chairman of the Committee, to make any further amendments required by the external auditor.

13. Audit and inspection plan 2007/08

Ms A Ockleston, Audit Manager, and Ms M Grindley, Relationship Manager, attended the meeting for this item.

The Committee received the audit and inspection work proposed for the 2007/08 financial year.

14. Internal audit activity report

The Committee considered the report of the Audit Manager on outcomes of recent internal audit activity covering Land Charges.

Mrs M Reed, Head of Legal and Democratic Services, and Mrs S Baker, Senior Land Charges Officer, attended the meeting and responded to comments and questions as follows:

- The service had in place service performance targets to measure issues such as the time taken to turn round searches.
- The revised fees for the local land charges service would be agreed as part of the budget setting process and implemented from 1 April 2008.

15. Internal audit management report

The Committee received the revised internal audit allocation for 2007/08.

Miss A Penn, Audit Manager, advised the Committee that the Council would buy in additional external resources to ensure delivery of the programme if required.

16. Agresso systems issues

The Committee received a verbal update on the Agresso system.

Mr M Prosser, Strategic Director, advised the Committee of the controls put in place to monitor the Ridgeway Shared Service Partnership:

- A strategic board comprising two councillors from South Oxfordshire District Council (Mrs A Ducker and Mr I R Mann) and Vale of White Horse District Council (Mr T de Vere and Mrs M de Vere), the strategic directors from each authority (Mr M Prosser from SODC and Mr S Bishop from the Vale) and Mr W Jacobs Head of Finance for the shared financial service. This board meets on a monthly basis.
- An operations board comprising the strategic directors, finance staff and Capita staff dealing primarily with HR and ICT issues.
- A project board comprising staff which meets on a weekly basis to assess progress.

Mr W Jacobs advised the Committee of the background to the introduction of the Agresso financial management system. Since its introduction in April the

Agresso system had performed below the standards expected. Officers had met with staff from Capita. This had escalated to a recent meeting between the chief executives and the strategic directors of the two Councils with the Managing Director of Local Government Services at Capita. As a result of this meeting Capita had undertaken to

provide more resources to address the problems and had agreed an action plan.

A member of the Committee asked that, if in light of the verbal update received, the Chairman should invite representatives from Capita to the next meeting of the Committee to update it on the work and resources they are putting into ensuring that the range of systems they have installed are working efficiently and effectively with appropriate controls and safeguards in place.

The Committee agreed that the Chairman should invite Capita to attend the next meeting of the Committee to update members on the installation of the Agresso system.

In response to comments and questions the Committee was advised that officers had returned to a manual system for authorising invoices until the Agresso electronic system problems were resolved.

17. Code of corporate governance

The Committee noted that the agenda for the December meeting will include an item on this issue.

18. Complaints monitoring

The Committee considered the Local Government Ombudsman's letter for the period ending 31 March 2007.

The Committee was advised that the Ombudsman had declined an invitation to attend the meeting.

In response to a question on how the Council handled complaints officers undertook to provide this information in the Weekly Information Sheet.

Chairman

The meeting closed at 7:45pm