

Minutes



Listening Learning Leading

OF A MEETING OF THE

Audit and Corporate Governance Committee

HELD AT 10.00AM ON MONDAY 30 JUNE 2008

AT COUNCIL OFFICES, CROWMARSH GIFFORD

Present:

Ms J Bland (as substitute for Mr R Peasgood), Mrs S Cooper (as substitute for Ms A Purse), Mr P Cross and Mrs M Davies

Apologies:

Apologies for absence were submitted on behalf of Mr P Greene, Mr M Harris, Mr R Peasgood and Ms A Purse

Officers:

Miss S Bayley, Mr D Buckle, Mr G Bushell, Mr A Down, Mr A Duffield, Mrs K Fiander, Mr S Hewings, Mr P Howden, Mr W Jacobs, Mrs P O'Callaghan, Mr H Oliver, Miss A Penn, Mr M Prosser, Mrs A Robinson

Also present:

Mr I R Mann, Cabinet member for finance
Mrs A Ockleston, Audit Manager, Audit Commission

1. Election of Chairman for the 2008/09 municipal year

The committee elected Mr P Greene as chairman for the 2008/09 municipal year.

2. Election of Vice Chairman for the 2008/09 municipal year

The committee elected Mr P Cross as vice chairman of the committee for the 2008/09 municipal year.

In the absence of Mr P Greene, Mr P Cross chaired the remainder of the meeting.

3. Minutes 5 March 2008

RESOLVED: to approve the minutes of the meeting held on 5 March as a correct record and agree that the Chairman sign them.

4. Ombudsman complaint – Waterstock

Mr M Tyce addressed the committee on this item. He drew attention to the length of time taken for the council to consider the request for a discontinuance notice and raised issue with the soundness of the planning committee decision.

Mr Nowell-Smith, the local ward councillor, addressed the committee on this item. He raised issue with the consideration of the issue at the planning committee particularly, in his view, the consideration of irrelevant information.

The committee considered a report on the handling of a request from Waterstock Parish Meeting for a discontinuance order to be issued in respect of the floodlit driving range at the Waterstock Golf Club, Waterstock. The committee was asked for its views on whether any further action was appropriate.

After an initial discussion of the merits of the planning decision the committee was advised that its role was to examine the process and not the merits of the planning decision. The complainants could seek remedies through the planning system either by means of a judicial review or, in the case of a discontinuance notice, they could request the secretary of state to reconsider the request.

Whilst acknowledging that the council had handled the case poorly over a long period of time the committee concluded that the council had taken sufficient actions to ensure such an event could not recur.

RESOLVED: to

1. note the council's performance in relation to the handling of the case and the actions implemented by the planning service to limit any re-occurrence;
2. note the Local Government Ombudsman findings that there has been maladministration by the council due to the avoidable delay in bringing the matter to the planning committee for decision;
3. agree that the actions taken by the council to ensure such an event can not recur, as set out in points 21 to 27 of the report of the strategic director to the audit and corporate governance committee meeting on 30 June 2008, are sufficient.

5. Supplementary Audit opinion plan 2007/08

The chairman agreed to take this item as an urgent item of business to inform the committee that the additional risks identified could lead to an increase in the opinion audit fee.

A letter dated 1 June 2008 from Maria Grindley, District Auditor, to David Buckle, South Oxfordshire District Council's Chief Executive, was circulated at the meeting (copy attached to the minute book copy of these minutes). The letter set out the additional risks the Audit Commission need to consider as part of the opinion plan. In light of these additional areas of work the audit commission's letter advised that the

fee will have to be increased although it was not possible to give an estimate at the meeting.

Mrs A Ockleston expanded on the risks set out in the letter and advised the committee that these risks could have an impact on the statement of accounts item.

The committee noted the item and requested that the committee receive further details at its meeting in September.

6. Audit and Inspection Plan

The chairman agreed to take this item as an urgent item of business to inform the committee of a reduction in the audit fee for the 2008-2009 audit and inspection plan.

Mrs A Ockleston reminded the committee that at its meeting on 5 March 2008 an assurance was given that the fees were likely to be lower than the proposed 12 per cent increase. She advised the committee that due to changes to how the Audit Commission will undertake its use of resources assessment a reduction in the proposed fee of approximately £12,000 was possible.

The committee noted the reduction in the audit fee.

7. Financial systems update

The committee received an assurance that the financial systems were now working as they should and was advised that the recovery plan had been achieved to timescale.

8. Audit Commission: Annual Audit and Inspection Letter

The committee considered the Audit Commission's annual audit and inspection letter.

Mrs A Ockleston highlighted the fact that the council had continued to perform well and had achieved excellence under the CPA process. She noted that there are areas for improvement and the council was taking these forward. Difficulties experienced last year had impacted on the council's use of resources score.

In response to a question the committee was advised that for last year's accounts the head of finance, in consultation with the chairman of the committee, was authorised to make any further amendments required by the external auditor prior to signing the accounts. This was done after 30 September 2007.

The committee noted the annual audit and inspection letter.

9. Internal audit activity report

The committee considered the report of the audit manager that summarised the outcomes of recent internal audit activity.

The chairman advised the committee that following consultation with the strategic director and the audit manager the committee would only consider those audit reports that had identified a limited assurance rating. The committee was further advised that officers had agreed and implemented all the recommendations for improvement set out in the audits of elections and sundry debtors. In light of this the

committee received an assurance that an adequate control environment existed within these areas.

The committee noted the report without comment.

10. Internal audit annual report 2007/08

The committee considered the report of the audit manager on the work of internal audit in the year ended 31 March 2008.

In response to a question the committee was advised that the service will undertake a self assessment of its work using the CIPFA standards and formulate an action plan to address areas of improvement. The Audit Commission will also undertake an assessment of the service's performance. The findings of both these assessments would be reported to the committee when completed.

11. Internal audit management report quarter 1 2008/2009

The committee considered the report of the audit manager on management issues, the progress of internal audit against the 2008/09 audit plan and the priorities and planned audit work for quarter 2.

The committee noted the report.

The committee adjourned for ten minutes prior to consideration of the next item.

12. Risk management update

The committee considered the report of the head of business and information systems that provided the committee with information on how the council is managing its strategic risks.

In response to a question the committee was advised that personal information was not encrypted for transfer over the internal email system. Furthermore whilst a service could access information held by another service it was not normally transferred as a document.

The committee noted the report.

13. Code of corporate governance assurance statement

The committee considered the report of the head of legal and democratic services on the end of year outcome on the Code of Corporate Governance Assurance Statement.

In response to questions the committee was advised that the production of a capital strategy was included in the workplan for the current financial year, that a consultation officer was now in post and that a timetable for budget monitoring reports would be submitted to the next meeting of the Ridgeway Shared Services Strategic Board.

The committee noted the report.

14. Annual Governance Statement

The committee considered the report of the head of legal and democratic services that sought the committee's approval of the Annual Governance Statement for inclusion in the council's Statement of Accounts.

RESOLVED: to approve the Annual Governance Statement for inclusion in the Statement of Accounts subject to amendments arising from further discussions with external auditors and reported to this meeting.

15. Statement of accounts 2007/08

The committee considered the report of the head of finance on the approval of the statement of accounts for 2007/08.

The committee sought assurances on a number of issues in the accounts.

RESOLVED: to approve the statement of accounts for 2007/08 and agree that the vice-chairman sign them.

16. Committee's work programme for 2008/09

The committee noted the work programme for 2008/09.

17. Exclusion of the public

RESOLVED: to exclude members of the press and public from the meeting for the following item of business under Section 100A(4) of the Local Government Act 1972 on the grounds that: (i) it involves the likely disclosure of exempt information as defined in paragraphs 1,2 and 4 of Part 1 of Schedule 12A of the Act and (ii) for the item the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

18. Internal audit investigation report – confidential item see page 6

The committee considered the report of the audit manager on the findings of an investigation into a significant overspend on a service's budget.

Officers from the relevant service attended the meeting.

The committee agreed the detailed recommendations set out in the report and noted that internal audit will undertake a follow-up review of control processes operating within the service in 2009/2010 to allow time for the proposed controls to be embedded.

The meeting closed at 12.30pm.

Chairman

Date