

# Minutes



Listening Learning Leading

OF A MEETING OF THE

## **Audit and Corporate Governance Committee**

HELD AT 6.00PM ON 29 SEPTEMBER 2011

AT COUNCIL OFFICES, CROWMARSH GIFFORD

### **Present:**

Mr P Cross (Vice-Chairman in the chair)

Mrs C Collett, Ms K Crabbe, Mrs M Davies, Mr P Harrison, Mr C Quinton

### **Apologies:**

Mr M Welply tendered an apology.

### **Officers:**

Mr S Bishop, Mrs K Fiander, Mr S Hewings, Mr W Jacobs, Mr S Khan,  
Mrs A Partridge, Mrs N Thomas

### **Also present:**

Mr D Dodds, Cabinet member for finance  
Mrs A Ockleston, Audit Commission

Ms M Grindley, Audit Commission, tendered an apology.

The committee extended its further wishes to Mr Welply for a speedy recovery.

### **11. Minutes, 13 July 2011**

**RESOLVED:** to approve the minutes of the meeting held on 13 July 2011 as a correct record and to agree that the Chairman sign them.

### **12. Review of complaints 2010/11**

The committee considered the report of the Chief Executive, the purpose of which was to provide the committee with information and statistics about the complaints received during 2010/11.

In reply to comments that the ten-day response time to deal with complaints was too long and that some complaints became protracted Mr S Bishop, Strategic Director,

acknowledged that whilst within target, the council processed complaints slower than some of its peers. He advised that the ten-day response time was required to allow investigations to take place into complaints and that the council had developed new processes to speed up dealing with complaints. Mr Bishop confirmed that complainants received interim updates on how their complaint was progressing. In terms of Ombudsman complaints, he was of the opinion that 28 days was an acceptable period within which to respond to the Ombudsman given the extensive amount of paperwork that the Ombudsman often required to understand a complaint and the council's responses to it. In terms of training, Mr Bishop would speak with the PA to the Chief Executive to assess the merits of staff training.

Regarding the volume of complaints relating to the Planning service, this was often because a complainant did not agree with a decision on a planning application. There was little the council could do to prevent such complaints given the nature of the service.

In response to a question concerning the first complaint reported under the heading *complaints outcomes* on page 5-1 of the report, Mr Bishop advised that, following the meeting, he would confirm timelines relating to the Ombudsman's recommendations.

The committee noted the report.

### **13. Local Government Ombudsman's annual report**

The committee considered the Local Government Ombudsman's annual report that contained a summary of information on complaints including performance and complaints handling arrangements in order to draw on any lessons learned and for the committee to seek assurances from officers on service improvements as a result of the letter.

The discussions on this item are set out in minute 12, as the two reports were discussed together.

The committee noted the report.

### **14. Treasury management outturn 2010/2011**

The committee considered the report of the Head of Finance that reported the treasury management outturn 2010/2011 and asked the committee to note the outturn and to make recommendations that officers should take into account when setting the 2012/13 treasury management strategy.

Mr W Jacobs, Head of Finance, confirmed that the predicted amount to be recovered from the collapse of the Icelandic banks would be 78p to 86p in the pound.

The committee noted that the council's strategy would be to maintain investments with high quality counterparties for relatively short periods. The overall investment performance was above the industry average for 2010/11 despite the continued uncertainty and volatile market conditions.

**RESOLVED:** to

1. approve the treasury management outturn report for 2010/11;

2. approve the actual 2010/11 prudential indicators detailed in appendix 1 to the report of the Head of Finance to Audit and Corporate Governance Committee on 29 September 2011.

## **15. Audit Commission: Annual Governance Report**

The committee considered the Audit Commission's Annual Governance Report. Mrs A Ockleston, Audit Commission, advised that the message within the report was positive with an unqualified audit opinion. Mrs Ockleston drew attention to the following points:

- A potential conflict of interest within the Audit Commission's audit team and the safeguards put in place to prevent the conflict arising.
- The recommendation on page 5 of the report, (quality assurance procedures should be carried out before the accounts are presented for audit), implementation of which could result in lower fees in future years. Mr Bishop confirmed that he would ensure the implementation of this recommendation.
- That paragraph 3 under the heading *related party transactions* on page 16 should refer to 2010/11, not 2011/12.

The committee noted the report.

## **16. Annual Governance Statement 2010/11**

The committee considered the Annual Governance Statement (AGS) having considered a draft of the AGS at its meeting on 13 July 2011.

**RESOLVED:** to approve the Annual Governance Statement 2010/11.

## **17. Statement of Accounts 2010/11**

The committee considered the report of the Head of Finance that asked the committee to approve the Statement of Accounts (SoA) and asked the Chairman to sign them. The committee had considered the draft 2010/11 SoA at its meeting on 13 July 2011.

In response to a question Mr S Hewings, Chief Accountant, advised that the reporting of *accumulated absences* arose from International Financial Reporting Standards and related to annual leave that remained unused. To report the figure the council had agreed a sampling mechanism with the Audit Commission.

An amendment to the word *unusable* was required at page 59. Arrangements would be made to make this amendment so that the accounts could be published on the council's website by the end of 30 September.

**RESOLVED:** to approve the Statement of Accounts for 2010/11 and agree that the Chairman sign them.

## **18. Internal audit activity report 2011/2012 quarter 2**

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

Mrs A Partridge, Audit Manager, reported that the health and safety follow up audit was included because a number of recommendations had not been implemented. Mrs Partridge explained that the table at appendix 2 was new to the report. It included systemic control weaknesses that had been identified at either or both councils across a number of operational areas. She briefly explained how analysis took place and could provide committee members with further information to help them understand the process if requested.

In terms of the health and safety audit, the revised implementation dates had been offered by the service area. The service area had been proactive and asked for a further review because of the interdependence between the two councils in implementing the recommendations.

In response to the chairman's comment that he was pleased with the general improvements with fewer audits achieving limited assurance, Mrs Partridge confirmed that controls on key financial systems had improved in recent years and that limited assurances were more often related to policies and procedures.

The committee noted the report.

## **19. Internal audit management report 2011/12 quarter 2**

The committee considered the report of the Audit Manager that set out management issues, summarised the progress of the internal audit team against the 2011/12 audit plan up to 15 September 2011 and summarised the priorities and planned audit work for the remainder of quarter 3 2011/12.

The committee noted the report.

The meeting closed at 6.40pm.

Chairman

Date