

Audit Committee

A meeting of Audit Committee was held on Monday, 20th November, 2006.

Present: Cllr B Woodhouse (Chairman), Cllr D Cains, Cllr M Cherrett, Cllr J A Fletcher, Cllr W Noble, Cllr R Patterson, Cllr M Perry and Cllr M E Womphrey.

Officers: S Daniels (DNS); P K Bell (LD); J Bell, J Davis, I Jones, B Simpson (R).

Also in attendance: No other persons were present.

Apologies: Cllr M Stoker.

721 Declarations of Interest

Councillor Noble declared a personal non prejudicial interest in respect of agenda item 7 as he was a Governor at Hardwick Primary School.

722 Minutes

The minutes of the meeting held on 28th September 2006 were signed by the Chairman as a correct record.

723 Health and Safety Report 30th September 2006

Consideration was given to a report which covered the services and activities of the Health and Safety Unit for the period July, August and September 2006.

The report gave the accident, assault and training statistics for the 2nd quarter of 2006. It also gave comparison between this quarter and the same period in 2005. The statistics were summarised as follows:-

Health & Safety Training

Twenty-Five training sessions were delivered in this quarter, to a total of 249 delegates. There were nine additional bespoke courses delivered within departments.

Accidents

Accidents reported to the Health & Safety Unit this period were 23, this compared with 19 over the same period last year and with 37 in the previous reporting period.

Physical Assaults

There were 20 physical assaults reported in this quarter, which compared with 22 reported in the previous reporting period and 25 in the same period in 2005.

Verbal Assaults

There were 14 verbal assaults, which compared with 0 reported in the previous reporting period and 9 in the same period in 2005.

Members discussed the statistics that had been presented to them and congratulated the Health and Safety Officer and his Unit for all the training that they had carried out. Members felt that good Health and Safety Training and the Health and Safety Units proactivity were contributing to a better awareness of Health and Safety issues. Members also requested that all Members receive training on avoiding violence and that the training be carried out next Municipal Year. The Health and Safety Officer felt that this would be achievable.

CONCLUDED that the report be noted.

724 Corporate Risk Register 30th September 2006

Members were informed that quarterly reports on the Corporate Risk Register were presented for the purpose of reviewing the key risks that had been identified as having the potential to deflect services from achieving their objectives over the next 12 months and beyond. They also set out the actions being taken to ensure that the risks, and possible adverse outcomes, were minimised.

The Committee had requested that, in the absence of substantial changes to the register, quarterly reporting should be confined to highlighting significant additions and amendments since the previous update, with a detailed report incorporating a review of the Council's risk management process being produced annually.

This interim report covered the period 30 June to 30 September 2006. All Service Groups had been contacted subsequently and the returns indicated that there had been some changes to the Authority's risk profile over the months in question. These comprised the addition and deletion of a number of risks and revision of some of the existing entries, as more particularly described later in the report.

The changes since the last reported position were detailed as an appendix to the report and were as follows:-

1. New risks added to the register.
2. Deletions/amendments to the register.

The new risks added to the register were summarised within the report.

More detailed risk identification, assessment and management information was appended to the report.

Appendix B of the report, set out details of the three risks that had moved below the corporate reporting threshold and had therefore been deleted from the register. Additionally, information was provided on two risks where reductions in the ratings had been possible due to progression of the associated action plans.

For purposes of record, the changes referred to had been incorporated in the latest version of the full Corporate Risk Register. This would be made available in the Member's Library and an electronic copy incorporating the supporting risk

assessment details (accessed by double-clicking the embedded risk issue logo), would be placed on the intranet (Toolkit/Risk Management & Insurance/Risk Management/Corporate Risk Register).

CONCLUDED that the report be noted.

725 Financial Update Report 30th September 2006

Consideration was given to a report that provided Members with information on the projected outturn position based on information to the end of September 2006 and the Medium Term Financial Plan (MTFP).

With regard the Projected Outturn the position for 2006/07 was structured around three "ring-fenced" financial areas:

1. General Fund
2. Housing Revenue Account
3. Capital

The projected position on the service element of the General Fund was given where it could be seen that the Council would be carrying forward a Managed Surplus of £2.500m into 2007/08 compared to £1.873m Managed Surplus reported to Cabinet in September 2006.

CONCLUDED that the revised Medium Term Financial Plan be noted.

726 Internal Audit Report 30th September 2006

Consideration was given to a report which advised Members of the work carried out by the Internal Audit Section and the progress made during the quarter July to September 2006 against the current Annual Audit Plan.

The Internal Audit was an independent appraisal function that had been established by the Council to objectively examine, evaluate and report on the adequacy of internal controls. This role ensured that there was proper economic, efficient and effective use of resources. It also ensured that the Council had adequate accounting records and control systems.

Members were reminded that the list of all audit work undertaken in the period covered by the report had been circulated to all Councillors prior to the meeting. Councillors were given the opportunity to raise questions on issues that affected their ward or other areas of responsibility.

The appendices that were attached to the report showed details of the sections performance in the following areas:-

1. Key Performance Indicators.
2. List of audits undertaken and number of recommendations made.
3. Details of audits by Service Groupings.

The Internal Auditor outlined the main audits that had been carried out and the

recommendations that had been made and the recommendations that had been agreed.

Members asked detailed questions on the Planning/Development Control audit that had been carried out. The Head of Performance and Business Services (DNS) was in attendance at the meeting to help answer the questions. Overall Members were happy that resources had now been made available to help carry out the audit recommendations.

With regard the audit of Hardwick Primary School, Members felt that it would be useful for Internal Audit to draw up a list of common faults which could be sent to all schools on an annual basis. The Internal Auditor agreed that this could take place.

CONCLUDED that the report be noted.

(Councillor Noble declared a personal non prejudicial interest in respect of the above item as he was a Governor of Hardwick Primary School.)

727 Corporate Governance

Consideration was given to a report that provided Members with the latest information in relation to the Council's corporate governance arrangements.

Members were aware of the Committee's role, in conjunction with the Standards Committee, in maintaining an overview of the Council's Constitution and considering key ethical or wider corporate governance issues.

In view of this it was important that the Committee was provided with details of the Council's Code of Corporate Governance and the practical steps being taken or required to be taken to comply with best practice guidance published by CIPFA and SOLACE.

A review of the Council's approach to Corporate Governance was undertaken in 2004. The main part of the review included a second self-assessment exercise against the CIPFA/SOLACE guidance using the Audit Commission toolkit. (The first self-assessment having been undertaken in May 2002).

The review found that only minor changes to the self-assessment were required and a revised Corporate Governance Action Plan was drawn up to reflect this.

Further monitoring of these arrangements had taken place within the context of the CPA process and through the work of the Officer Corporate Governance Working Group.

The Corporate Governance Group had developed a revised, draft Code of Corporate Governance based on the six core principles set out in the Good Governance Standard for Public Services (a document produced by the Independent Commission on Good Governance in Public Services, established by the Office for Public Management and CIPFA, in partnership with the Joseph Rowntree Foundation).

A copy of the revised, draft Code was attached to the report.

A self assessment exercise had been undertaken by the Corporate Governance Group in order to provide responses to the questions related to each of the six core principles of the Good Governance Standard. The self assessment questions were attached to the report.

The answers to these questions were being checked against the details of, and evidence referred to in the Council's Statement of Internal Control (the "SIC", which was approved by this Committee at its meeting held on 29th June 2006).

Subject to this, the combined evidence of the SIC, the answers to the core principles' questions, and other information provided by the Corporate Governance Group, was being used to develop a new corporate governance action plan, based on the four CPA key lines of enquiry ("KLOE"), which were:-

- Community Focus
- Structures and Processes
- Risk Management and Internal Control; and
- Leadership, Culture and Standards of Conduct

The KLOE were referred to in paragraph 2 of the revised, draft code of corporate governance.

The emerging, new Corporate Governance action plan was being consulted on, and would be developed further as a result of discussions with other Officer Groups eg Policy Officers Group. A final draft would then be reported to CMT, the Standards Committee, Audit Committee, Cabinet and Council, prior to wider publication and dissemination.

Allied to this, a schematic diagram was being developed by the Corporate Governance Group, a current draft of which was attached to the report.

CONCLUDED that the report be noted.

(Councillor Patterson was in the Chair during consideration of the above item as Councillor Woodhouse had left the meeting.)