

Audit Committee

A meeting of Audit Committee was held on Tuesday, 26th August, 2008.

Present: Cllr Barry Woodhouse (Chairman); Cllr John Fletcher, Cllr Maurice Perry, Cllr Mrs Sylvia and Walmsley.

Officers: I Jones, D MacDonald, J Bell (RES); J Nixon (DNS); P K Bell (LD).

Also in attendance: J Taylor (Tristar Homes Ltd).

Apologies: Cllr Mick Womphrey, Cllr Miss Tina Large, Cllr Ross Patterson, Cllr Maurice Frankland and Cllr Kath Nelson.

A **Declarations of Interest**

22/08

There were no interests declared.

A **Minutes**

23/08

The minutes of the meeting held on 12th May 2008 were signed by the Chairman as a correct record.

A **Internal Audit Progress Report**

24/08

Consideration was given to a report on the work carried out by the Internal Audit Section and the progress made during the quarter April to June 2008 against the current Annual Audit Plan.

Internal Audit is an independent appraisal function 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.

Committee Members were reminded that the list of all audit work undertaken in the period covered by this report had been circulated to all Councillors prior to the meeting. The intention was to give Councillors the opportunity to raise questions on issues that affect their ward or other areas of responsibility and for answers to be provided at the meeting.

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

* Key Performance Indicators

* List of audits undertaken and number of recommendations made (2007/08 & 2008/09)

* Details of audits by Service Groupings (2007/08 & 2008/09)

RESOLVED that the report be noted.

**A
25/08**

Health and Safety Report

Consideration was given to a report that detailed the activity of the Health and Safety Unit for the period 1st January to 30th June 2008.

The significant activity of the Health and Safety and the Well-Being Team was outlined, including partner and stakeholder involvement, accident and assault incidence

58 programmed training sessions were delivered to a total of 624 delegates, with 12 further bespoke courses delivered within departments.

Sixteen delegates attained the Institute of Occupational Safety and Health (IOSH) Managing Safety certificate, demonstrating an elevated degree of competence in occupational health, safety and welfare, hazard identification and the management of a diverse range of occupational risks. Further details were attached to the report.

The activity of the Wellbeing Team was detailed as:-

No. of Back Care Referrals - 183
No. of Sickness Absence Referrals - 213
No. of New Physio Appointments - 149
No. of Review Physio Appointments - 588
No. of Work Place Assessments - 56
No. of Return to Work / Occupational Health Assessments - 17

A total of 754 employees attended Cardio Vascular Assessment sessions, delivered in partnership with the North Tees Primary Care Trust.

Accidents reported to the Health & Safety Unit during this period were 95. This compared with 85 over the same period last year and with 57 in the previous reporting (quarter) period.

Physical Assaults reported to the Health & Safety Unit this period were 77. This compared with 74 over the same period last year and with 43 in the previous reporting period.

Verbal Assaults reported to the Health & Safety Unit for this period were 29. This compared with 34 over the same period last year and with 20 in the previous reporting (quarter) period.

The number of premises subjected to a Health, Safety and Welfare Audit during this period amounted to 143.

The number of recommendations provided within this period to ensure a satisfactory standard of safety management safeguards was 239

The number of Pre-Tender Health & Safety Plans produced in this period was 64.

During the ongoing monitoring and reviewing of the decent standards improvement schemes a total of 9 audits were undertaken with 27

recommendations issued to Tristar Homes Ltd.

The number of Safety Policies, including risk assessments and method statements vetted on behalf of Services as part of their selection and procurement process was 24.

Stockton on Tees Borough Council provided Teesdale District Council's health and safety advisory provision via a Service Level Agreement.

The Health and Safety Unit continued to work with Managers and Members to improve their safety management safeguards in preparation for Local Government Reorganisation. The number of days in attendance at Teesdale District Council was 23.5.

All Xentrall Managers attended a Good Governance in Health and Safety Practice, Hazard Identification and Risk Management workshop to provide refresher training and to ensure a consistency of approach to the management of occupational health, safety and welfare risks.

As an interim measure following the recent departure of the former Educational Visits Adviser, the Unit had appraised the safety management safeguards of 28 educational visits, including domestic residential field trips and foreign visits.

RESOLVED that the report be noted.

A
26/08 **Corporate Risk Register Progress Report - Quarter 1 2008/09 - Period Ending 30th June 2008**

Members were reminded 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.

Members 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.

The interim report covered the period 1 April to 30 June 2008. 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 of six new risks, the deletion of one existing risk and the update of several existing entries.

The changes since the last reported position were detailed as an appendices and were as follows:-

- * New risks added to the register
- * 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 for the new risks was attached to the report.

Also attached to the report was details of the risk that had moved below the corporate reporting threshold and had therefore been deleted from the register. The remaining changes were of minor nature and confined to routine updates of the general management information for individual risks and to the latest reordering of entries in the register.

The total number of significant risks in the Corporate Risk Register had thus increased from 12 at the end of March 2008 to 17 at the close of the current Quarter.

For purposes of record, the changes referred to had been incorporated in the latest version of the full Corporate Risk Register. This was available in the Member's Library and an electronic copy incorporating the supporting risk assessment details could be accessed by double-clicking the embedded risk issue logo within the report and was also available on the intranet.

RESOLVED that the report be noted.

A
27/08 **Update on 2005/06 Decent Standard Audit Report**

At the Audit Committee Meeting of the 10th December 2007 it was resolved that a progress report be brought back to the Audit Committee with regard to the 2005/06 Decent Standard Audit.

Since the Audit Committee Meeting of the 10th December the Decent Standards works had been re-audited. This audit covered:

- Recommendations from the 2005/06 Audit
- Audit of the 2006/07 Schemes
- Audit of the valuation of an on-going (2007/08) scheme of works

The resulting Audit Report and agreed action plan was attached to the report. The result of the audit was "substantial assurance", i.e. overall, there was a sound system of internal controls.

In the Audit Committee Meeting of the 10th December members expressed concern about payments made to contractors for which the full value had not been validated.

The current position was:

* A third party (Faithful and Gould) was being used to validate the value of the works.

* The results of these valuation exercises were being reported back to the Council's Capital Meetings with Tristar Homes.

* For one partner (Mears) money had been withheld due to lack of substantiation. The reasons for this were:-

- o Completion of the works had been confirmed through completion certificates, but the actual cost relating to the schemes were not easily identifiable due to Mears not presenting their costs in an acceptable manner.

- o Faithful and Gould were working with Mears to assist them in how best to identify their costs by scheme.

- o The contract was a target price contract and therefore the amount payable for the works was not a fixed amount, but related to the actual costs incurred by Mears.

- o The payment to Mears was an estimate of the lowest price payable under the contract conditions for the amount of the work completed
In November 2006, a variation was agreed so that the prices for the works were fixed amounts, so as to reduce these problems.

RESOLVED that the report be noted.