

Draft Minutes of the Final Accounts & Audit Committee Meeting held on Monday, 19 November 2007 in Committee Rooms A, B and C, Monkton Park, Chippenham.

Present:

Councillor S.G. Parker (Chairman)

Councillors S.K. Doubell, V.H. Greenman, J.L. Hall, and R.L. Tonge

Officers Present:

R. Collins (Financial Consultant), S. Logun (Internal Audit Manager), S. Pangbourne (Deputy Chief Executive) and M. Todd (Senior Policy and Democratic Services Officer).

FA34. Apologies for Absence

Apologies for absence were received from Cllr K.A. Banks, R.L. Cinnamond and A. Pier.

FA35. Membership of the Final Accounts & Audit Committee

The Senior Policy and Democratic Services Officer reported that Cllr S.K. Doubell was acting as a substitute for Cllr K.A. Banks for this meeting.

FA36. Public Question Time/Receipt of Petitions

There were no public questions or petitions.

FA37. Chairman's Announcements

There were no Chairman's announcements.

FA38. Minutes

The Minutes of the meeting of the Final Accounts and Audit Committee held on 28 September 2007 were considered.

Resolved that the Minutes of the meeting of the Final Accounts and Audit Committee held on 28 September 2007 be approved and signed as a correct record.

FA39. Declarations of Interest

There were no declarations of interest.

FA40. Annual Governance Report 2006/07 Action Plan

Consideration was given to Report No. 7, circulated with the agenda, which presented the Action Plan arising from the Annual Governance Report for 2006/07. Members queried the need for daily reconciliation of the payroll system and officers agreed to send an e-mail to Committee members to clarify this matter.

Resolved that the Action Plan for the Annual Governance Report for 2006/07 be noted.



FA41. Update on PFI Equalisation Fund

The Deputy Chief Executive reported that the Section 151 Officer had taken further advice on this matter and that there was a general lack of clarity over how much and when funds should be placed in the equalisation fund. As the Council would cease to exist in April 2009 and the fund was not a statutory requirement, the Section 151 Officer did not propose to increase the Council's contributions beyond that already budgeted for the year 2008/09.

FA42. Internal Audit Progress Report

Consideration was given to Report No. 9, circulated with the agenda, which updated the Final Accounts and Audit Committee on progress against the 2007/2008 Internal Audit Plan.

The Internal Audit Manager reported that officers were currently considering the Audit Plan to find out whether any audits could be removed if there was found to be no material risk. It was noted that three audits relating to the Housing Benefits Service had already been removed from the Plan. Performance for the accuracy of processing benefits claims had dropped into the worst quartile in 2006/07. For new benefits claims October figures suggested that the Council was currently operating in the top quartile and was on target to be in the 2nd quartile for the 2007/08 annual figure. For changes in circumstances October figures suggested that the Council was currently operating in the 2nd quartile and was on target to be in the 2nd quartile for the 2007/08 annual figure.

Members noted that the Pound Arts Centre audit had covered compliance with the service level agreement and not the building project.

Resolved that the update be noted.

FA43. Staffing and Computer Issues in Finance

The Deputy Chief Executive reported that the remaining Auditor had resigned and would shortly be leaving the Authority. An Agency accountant would be transferred to the Internal Audit Team until the end of January 2008. A longer term solution was being worked up in conjunction with CMB and proposals would be circulated to the Committee for information and endorsement.

The Finance function itself would be bolstered with two vacant posts being filled during December. The one critical post which had not yet been filled was that of Chief Financial Accountant, an initial public recruitment was currently underway and if this was not successful then use of a market supplement and a headhunting agency would be considered. Failing that the use of a long term agency placement may have to be considered.

The replacement finance system would formally be presented as a capital saving at the December Executive, although the Council would be budgeting for some interim support again at year end to support the fragile system it was required to maintain.

FA44. Exclusion of the Press and Public

Resolved that under Schedule 12A of Section 100A(4) of the Local Government Act, 1972, the public be excluded from the remainder of the meeting on the grounds that the following item of business involves the likely disclosure of exempt information as defined below and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Agenda item/Report name	Paragraph of the Act/Schedule describing the exemption
Agenda Item 12 – Limited Assurance Audit Reports	Paragraph 3 - information relating to the financial or business affairs of any particular person (including the authority holding that information).

FA45. Limited Assurance Audit Reports

Consideration was given to Report No. 12, circulated with the Agenda, which presented those audit reports awarded a “Limited” or lower assurance.

The Committee discussed the following issues:

- Members stressed the importance of implementing the outstanding recommendations as soon as possible.
- Members were concerned about a number of the issues highlighted in the debtors report and in particular the practice of internal invoicing.
- With regard to the report relating to Agency staff, the Committee acknowledged that the procedures relating to Depot staff were inherently different to office based staff. It was recommended that in future any reports on this topic should separate the two types of staff to prevent distortion of the figures.

Resolved that:

- (1) The contents of the report be noted.
- (2) The Committee recommend that training should take place on the Recovery of Sundry Debts Policy and Procedure once this has been finalised.
- (3) An additional meeting of the Committee take place in January to receive an update from the relevant officers on progress on the recommendations set out in the action plan in the Debtors audit.

(Note: A meeting of the Committee will take place on Monday 28 January 2008 at 5pm).

The meeting closed at 5.50pm.
There were no members of the public present.