

West Wiltshire District Council

Minutes

Minutes of the: **Audit Committee**

Held on: **Thursday 25 September 2008**

Held at: **Council Offices, Bradley Road, Trowbridge**

Present:

Councillors: Fuller, Humphries, H Osborn, and J Osborn (Chairman)

Also in attendance: Cllr Carbin, Cllr While, Peter Brown (Audit Commission), and Simon Perks (KPMG)

Officers: Finance Service Manager (AB), Corporate Director (Chief Finance Officer) (IJ), and Member Support Officer (HP)

13. Apologies

Apologies were received from Cllr Alford and Cllr Ezra.

14. Declarations of Interest

None.

15. Announcements from the Chairman

The Chair welcomed Peter Brown (Audit Commission) and Simon Perks (KPMG) to the meeting.

16. Minutes

The minutes of the last meeting held on 26 June 2008 were approved and signed as a correct record.

17. Annual Governance report and Statement of Accounts 2007/08 (Audited)

Peter Brown (Audit Commission) introduced a report on the Annual Governance Statement and, with the Finance Service Manager (AB), answered questions from Members. Issues discussed included:

- The nature of the Council's debtors and their age as listed on page 52 of the financial statements. Finance Service Manager (AB) to circulate breakdown of list.
- The nature of the Council's write-offs, which often result from unpaid council tax and business rates, bankruptcies and absconders. These debts are always vigorously pursued, but realistically some must eventually be brought before Cabinet to be written off;
- The Finance Service Manager (AB) clarified for Members that the deficit in the Collection Fund as at 31 March 2008 will be resolved and is no cause for concern.

Resolved that:

The Audit Committee:

- 1. Approved the audited Statement of Accounts for the financial year ended 31 March 2008;**
- 2. Approved the Letter of Representation; and**
- 3. Note the 2007/08 Annual Governance report.**

18. Internal Audit reports

Simon Perks (KPMG) presented the reports and answered questions from Members, making the following comments:

- The Council's accounts have been well prepared by officers;
- The Council has robust systems in place for the payment and monitoring of Local Housing Allowance. Staff are well-trained in this area, and clear information is available to both tenants and landlords.
- The Council is up with the best local authorities in terms of its management of partnerships.

Members felt that there is unlikely to be sufficient time before the transition to One Council to implement the auditor's recommendations, but agreed that these should be shared with Wiltshire County Council (WCC).

Resolved that:

The Audit Committee:

- 1. Reviewed and welcomed the Internal Audit reports;**
- 2. Requested that the Partnership report is shared with WCC to take forward under the new Council; and**
- 3. Requested that the Partnership report is circulated to the Scrutiny Committee for information**

19. Debt Recovery and Arrears

The Finance Service Manager (AB) gave a verbal update on progress made since the last meeting and answered questions from Members. The following issues were discussed:

- As of January 2008 arrears stood at £585k. These have now reduced to £447k. This primarily comprises of debts owed by a previous refuse contractor, debts related to DC Leisure, and debts owed by tenants for whom the Council provided storage/removal of property;
- Further resources have been directed toward debts relating to Housing Services. Housing staff have received extra training in debt recovery and arrears are now monitored monthly by service managers.
- The Council are undergoing a process of data cleansing prior to the transition to One Council.

Cllr J Osborn expressed concern at the level of debt not recouped by Housing Services.

The Corporate Director (Chief Finance Officer) (IJ) reminded the Committee of the huge progress made by Housing Services in recent years around homelessness. The housing debt in question was linked to the success in this area.

The Committee voted 3-1 in favour of recommendation 2 (below). Cllr H Osborn abstained.

Resolved that:

The Audit Committee:

- 1. Noted the update; and**
- 2. Recognised that progress has been made in debt recovery, but expressed concern at the amount of debt still outstanding for housing services, and recommends to Cabinet that continued action is taken to remedy this.**

20. Annual Treasury Management Stewardship report for 2007-08

The Finance Service Manager (AB) introduced the report and, with Cllr While (Portfolio-holder for Finance), answered questions from Members. The following issues were discussed:

- It is unlikely that the Council will have to borrow before its extinguishment on 1 April 2009, and still expects to hand over the total balance predicted in the 2008-09 budget (approx £900k) to the new Wiltshire Council
- Cllr Osborn asked if the Council were giving land away prior to the transition to One Council. Cllr While and the Corporate Director (Chief Finance Officer)

(IJ) confirmed that it was not. Additionally, the Corporate Director (Chief Finance Officer) (IJ) is clearing all significant financial decisions in this respect with Wiltshire County Council as part of the transition arrangements.

- The Committee expressed thanks to the Finance team for their hard work throughout the life of the Council.

Resolved that:

The Audit Committee:

- 1. Noted the Treasury Management Stewardship report for 2007-08; and**
- 2. Reviewed the revised Prudential Indicators for 2008/09, as set out in Appendix B of the report, prior to approval by Full Council.**

21. Asset Strategy and Management Plan

The Corporate Director (Chief Finance Officer) (IJ) introduced the report and answered questions from Members.

Resolved that:

The Audit Committee:

- 1. Noted and welcomed the changes to the Asset Strategy and Management Plan; and**
- 2. Requested that the areas requiring further work are forwarded to the new Wiltshire Council.**

22. Forward Work Plan

The Committee reviewed the Audit Committee Forward Work Plan.

Resolved that:

- **The Audit Committee approved the Forward Work Plan.**

23. Date of Next Meeting

The next meeting will take place on 11 December 2008 at 7.00pm.

(7.00pm – 8.30pm)

These minutes were prepared by Henry Powell, Member Support Officer,
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