

Time Commenced: 6.00pm  
Time Finished: 6:48pm

## **AUDIT AND ACCOUNTS COMMITTEE THURSDAY 3 APRIL 2008**

**Present:** Councillor Titley – Chair  
Councillors Allen, Higginbottom, Jackson, Jones, Rawson

### **49/07 Apologies for Absence**

Apology for absence was received from Councillor Williams

### **50/07 Late Items**

There were no late items.

### **51/07 Declarations of Interest**

There were no declarations of interest.

### **52/07 Minutes**

The minutes of the meeting held on 12 December 2007 were agreed as a correct record and signed by the Chair subject to the addition of Councillor Higginbottom's attendance and the amendments to minute 42/07 for the title to read Highways Maintenance Term Contract and for "Balfour Beatty" to be replaced with "MacAlpines"

### **53/07 External Audit – Annual Audit and Inspection Letter**

The Committee considered the Annual Audit and Inspection letter 2006/07, which had been considered by Cabinet on 18 March. The Committee were pleased to note that the Council had retained the 4 star rating in the Comprehensive Performance Assessment – CPA - and that the rating in the ambition section had increased from a 3 to a 4.

It was noted that the report contained recommendations from the audit commission for future action, and these would be addressed before the next assessment.

#### **Resolved**

- 1. to note the report and support the recommendation**
- 2. to note that the report will be referred to Council on 21 May 2008**

## **Internal Audit and Risk Management**

## 54/07 Indicative Internal Audit Plan

The Committee considered the indicative 2008/9 internal audit plan. It was reported that a number of audits in the plan were brought forward from 2007/8 because of the number of investigations that Internal Audit had undertaken in 2007/8. It was noted that there were some ongoing investigations which may cause the plan to be changed before it is finalised

It was reported that the number of audit days had been increased to 2,000, but current vacancies in the Audit team may impact on the ability to maximise this time, It was reported that as the team were trying to recruit specialists there could be some delay in filling posts as the market was fairly small.

### **Resolved to:**

- 1. bring the agreed Audit plan to the next meeting after approval from Chief Officers**
- 2. to invite the new Director of Environmental Services to the non public part of the next meeting.**

## 55/07 Annual Governance Statement

The Committee considered a report outlining the process to produce the Annual Governance Statement. It was reported that this statement replaces the Statement on Internal Control and would be much broader and more highly scrutinised than previously. It was reported that a wider range of issues would feed into this statement, including ethics, legal and IT issues than had previously been included in the Statement on Internal Control.

### **Resolved to note the presentation.**

## 56/07 Data Quality

The Committee received a report from Heather Greenan, Performance and Planning Manager, on data quality. It was reported that External Audit had considered the Best Value Performance Plan and confirmed that the Council's data quality arrangements were 'performing well'. Detailed testing of Performance Indicators had been carried out, and only minor amendments had been recommended.

It was reported that the data quality issues would extend to third party data of partners in the LAA and there was a need to raise awareness of this amongst partners. It was noted that not all partners had audit capabilities to audit data quality, and it was agreed that Derby City Council could consider auditing partners on data quality if it was felt there were problems (in its role as

accountable body). However there is also a risk of duplicating existing audit arrangements within partner organisations so any approach would need to take this into account. Heather Greenan confirmed that the self assessment process is designed to highlight any risks around third party data.

**Resolved to:**

- 1. approve the report with the suggested amendments and receive a report when the policy is approved by partners**
- 2. receive an update at the June meeting of action taken to address the highlighted performance indicators**
- 3. to receive a report on how deficiencies in data quality in third parties would be reported**
- 4. to consider the role of Derby City Council as an auditor for partner organisations**
- 5. to receive the data quality action plan at the next meeting of the committee**

**57/07 Exclusion of the Press and Public**

To consider a resolution to exclude the press and public during consideration of the following items:

“that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion of the following items on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 3 and 7 of Part 1 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information”

**58/07 Update – Debt Recovery Investigation**

The Committee received a report from the Corporate Director of Resources which provided an update on issues raised at the December meeting. It was reported that it was hoped to move away from small invoices and cash payments as much as possible. It was felt important to engage departments as much as possible in debt recovery to raise awareness of the sometimes difficulties of recovering monies due to the Council.

Because of the deficiencies highlighted by this fraud, the Assistant Director of Human Resources be invited to the June meeting to report on the robustness of vetting qualifications during the recruitment process.

**Resolved to:**

- 1. note the report**
- 2. to invite the Assistant Director of HR to the next meeting**

The Committee gave thanks to Councillors Tittley and Smalley for their work on the Committee during the past municipal year.

MINUTES END