

ITEM 4

Time commenced : 6.00 pm
Time finished : 7.30 pm

AUDIT AND ACCOUNTS COMMITTEE 25 OCTOBER 2006

Present: Councillors Tittley (Chair)
Councillors Allen, Ingall, Jones, Roberts, Smalley, Troup and
West

Officers in Attendance:

Richard Boneham, Head of Internal Audit and Risk Management
Ellen Bird, Constitutional Services Officer
Andrew Thomas, Principal Solicitor
Steve Meynell, Chief Estates Officer
Chris Edwards, Assistant Director – Property Services

33/06 Apologies for Absence

An apology for absence was received from Councillor Higginbottom.

34/06 Late Items to be introduced by Chair

There were no late items.

35/06 Declarations of Interest

Councillor Troup declared a personal interest in minute number 38/06 as he was a Governor at Bemrose School.

36/06 Minutes of Previous Meeting

The minutes of the previous meeting held on 28 September 2006 were approved as a correct record and signed by the Chair.

37/06 Training Session – Head of Audit and Risk Management

The Committee received a training session from the Head of Audit and Risk Management on Corporate Governance, Risk Management, Fraud and Corruption and Internal Control.

Resolved

- 1. to note the training; and**
- 2. to request that the e-procurement audit be carried out as soon as possible.**

Internal Audit Reports

38/06 Internal Audit Progress Report – Half Year Position

The Head of Audit and Risk Management presented a report outlining his section's half year position.

It was noted that due to staff shortages 120 days of work had been contracted to an external provider of internal audit services. It was also noted that 55 audits had been finalised in the first 6 months of the year.

The Committee noted that there had been no unsatisfactory or unsound audit results over the 3 month period from 1 June to 30 September 2006 but those reports rated as marginal should merit closer inspection by the Committee.

The Committee discussed the need for audit reports that were border line unsatisfactory or unsound at every audit having to account for their actions if they fail to meet the time frame attached to the implementation of recommendations. This would prevent similar recommendations being made at the next audit due to non-implementation.

Resolved

- 1. to note the report;**
- 2. to call in the following audits;**
 - **Aboretum Primary School**
 - **Cavendish Close Junior School**
 - **Moor Ways Sports Centre**
 - **Comensura**
- 3. to request a further report to the December Meeting regarding HR/Payroll to help to decide whether to call this audit in.**

39/06 Anti Fraud Corruption Strategy

The Committee received a report from the Corporate Director - Resources and Housing.

The Committee discussed the need for a corporate prosecution policy which sent out a message that Derby City Council would prosecute when it was felt to be appropriate and necessary.

Resolved

- 1. to note the report**
- 2. to request a draft corporate prosecution policy be brought to a future meeting.**

40/06 Review of Risk Management – Update and Future Developments

The Committee received a report from the Head of Audit and Risk Management.

The Head of Audit and Risk Management informed the Committee that progress was being made across the Council but that further work needed to be done to ensure a corporate approach to risk management.

It was noted that the aim was to link Risk Management into departmental business plans.

Resolved to note the report.

41/06 Confidential Reporting Code

The Committee received a report from the Corporate Director of Corporate and Adult Social Services regarding the Confidential Reporting Code.

The Committee noted that a 'whistle blower' could report their suspicions to a number of internal and external people and the protection that would be offered to them.

Resolved to note the report.

42/06 Fraud Response Plan

The Committee received a report from the Head of Audit and Risk Management.

.

Resolved to note the report.

43/06 Anti-Money Laundering Policy

The Committee received a report from the Head of Audit and Risk Management.

.

The Committee noted that the procedures would be rolled out across the Council and that they would be reviewed by the External Auditors.

Resolved to note the report and to request a further update in 12 months time.

44/06 Exclusion of Press and Public

Resolved to exclude the press and public from the meeting during discussion of the following item on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of part 1 of Schedule 12A of Section 100 (A) of the Local Government Act 1972 and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

45/06 Markets – Car Park Income

The Committee worked through the 5 outstanding audit recommendations which had not been implemented with the Assistant Director – Property Services and the Chief Estates Officer.

The Committee discussed the measures that could be taken to reduce risks associated with this particular area.

Resolved

- 1. to accept the Assistant Director – Property Services’s response to the audit report subject to;**
- 2. the Assistant Director – Property Services continues to monitor the risk assessment;**
- 3. and to request that the Chief Estates Officer speaks with the landlord of the Eagle Centre to discuss parking operations.**

MINUTES END