

Time Commenced: 6.00pm
Time Finished: 8.20pm

AUDIT AND ACCOUNTS COMMITTEE 1 DECEMBER 2011

Present: Councillor Ashburner – Chair
Councillors Bailey, Campbell, Davis, Harwood, Redfern, Roberts
and Troup

35/11 Apologies for Absence

There were no apologies for absence.

36/11 Late Items

There were no late items.

The Chair requested information on a scam relating to short term lets, of empty business properties, to charities, so that empty property rate relief could be applied for at the end of the lease – typically three months. He asked what the scale of the problem was in Derby.

Resolved to receive an update on the position in Derby.

37/11 Declarations of Interest

Councillor Troup declared a personal interest in item 6 because he was appointed by the Council as a Director of Derby Homes.

38/11 Minutes

The minutes of the meetings held on 29 September 2011 were agreed as a correct record and signed by the Chair.

39/11 Update on Actions from the last meeting

The Committee received an update on the proportion of debt from deceased persons. It was noted that this amounted to 2.8% of total debt.

40/11 Update on Markets Tender Process

The Committee considered a report which provided an update on Market security tender process.

Resolved to note the current position with the tender and request a report be

brought to a future meeting once the process had been completed.

41/11 Housing Tenancy Fraud – Action Plan

The Committee considered a report which stated that the Government had announced a crackdown on tenancy fraud and was providing support to councils to enable them to address the problem. Government figures showed that at least 50,000 social homes in England were being unlawfully occupied. Government calculations indicated that it would cost more than £5 billion to replace all of these homes. Nationally funding had been made available to support anti-fraud initiatives in social housing. The Department of Communities and Local Government had, following a successful bid submission by the Council, awarded Derby £30,000 to support its own initiatives. There were a number of tenancy verification services that had been developed as a response to the Government's anti-tenancy fraud initiative. This market had now matured and it was felt that utilising one of these services represented the best use of the monies made available to the Council. It was anticipated that the Council and Derby Homes would partner to procure and utilise the service as required.

Resolved

- 1. To note that the Council and Derby Homes' officers would continue to investigate and subsequently procure the verification service which offers the best value for the Council.**
- 2. To request officers to investigate the possibility of working with other Councils.**
- 3. To request an update on Housing Tenancy Fraud in six months.**

42/11 Partnership Toolkit

The Committee considered a report which provided an update on progress made in implementing the Partnership Toolkit against all high and medium risk partnership listed on the Partnership Register. Partnership lead officers were asked to supply evidence of a business case and partnership agreement against these priority partnerships. Going forward, it was important that service directors took ownership of partnership activity, updating the partnership register and ensuring that arrangements meet the governance standards as described by the Partnership Toolkit.

Members of the Committee expressed concern that officers did not appear to be working to the toolkit standard.

Resolved

- 1. To note the updated Partnership Register and progress in implementing the**

Partnership Toolkit.

- 2. To request and updated action plan for all Members of the Committee.**
- 3. To request the Chair to write to the Chief Executive outlining the Committee's concerns about making sure that officers work to the toolkit standard.**

43/11 Update on Housing Benefit Subsidy Position

The Committee considered a report which provided an update of the Council's Housing and Council Tax Benefit Subsidy Audits for 2008/9 and 2009/10 and the consequential budget implications relating to the potential claw back of Government subsidy. The Council's audited subsidy claims were subject to review and consideration by the Department of Work and Pensions - DWP - and ultimately a decision by the Secretary of State with regard to the level of any claw back to be made. This could result in some considerable elapsed time from the end of the relevant year, completion of audit and for any subsequent recovery decision by the Secretary of State.

Members expressed concern about the tone of letters sent to customers. Kath Gruber undertook to review the letters. Members asked what other Council's were doing in respect of resources available to process benefits claims and if they could have a copy of the DWP assessment.

Resolved

- 1. To note the Secretary of States decision regarding 2008/9 claim, acceptance for repayment and the resultant budget position.**
- 2. To note the continuing work in relation to 2009/10 subsidy claim and efforts to minimise the level of claw back against a budget provision of £1.793m.**
- 3. To request a report to a future meeting once the DWP assessment had been received.**

Regularity Framework

44/11 Audit and Accounts Committee – Terms of Reference

The Committee considered a report which outlined suggested amendments to the Committee's terms of reference following the annual review.

Resolved to recommend Council to approve the revised Audit and Accounts Committee Terms of Reference.

45/11 Anti Bribery Policy

The Committee considered a report which stated that the Bribery Act 2010 came into force on 1 July 2011. This Act modernised the law on Bribery and created a new corporate offence of “Failure to prevent bribery”. The Council needed to put appropriate arrangements in place to ensure compliance with the new statutory requirements.

Resolved

- 1. To approve the new Anti-Bribery Policy.**
- 2. To request that the Committee receives a report annually, on any issues notified under the Policy.**

46/11 Protecting the Public Purse

The Committee considered a report which provided a synopsis of the Audit Commission’s latest national report on fraud in local government. It updated the checklist for those responsible for governance to reflect the results of its annual fraud survey.

Resolved to note the report.

47/11 Governance Update

The Committee considered a report which provided an update on the developments being made within the Council’s governance framework.

Resolved to note the actions and the progress being made to enhance the governance framework.

Audit Activity

48/11 Internal Audit Progress Report

The Committee considered a report which set out the internal audit activity for the period 1 September to 31 October 2011. Five months into the Audit Plan year, Internal Audit was still behind in its productivity targets and was slightly behind in its service delivery targets.

There were no audits finalised during the period that needed to be brought to the attention of the Committee.

Resolved to note the activity and performance of Internal Audit in the period 1 September to 31 October 2011.

49/11 Internal Audit – Follow up of Audit Recommendations

The Committee considered a report which stated that of the of the 573 audit recommendations made between 1 September 2009 and 31 May 2011:

- 512 had been implemented (89.4%).
- 35 had been superseded by events (6.1%).
- 14 were still in the process of being implemented (2.4%).
- 0 were now not going to be implemented (0%).
- 4 had passed their agreed implementation date, but we had been unable to obtain progress information (0.8%).
- 12 had not yet reached their agreed implementation dates (2.1%)

Resolved to note the summary report in Appendix 2, which showed where agreed actions in respect of audit recommendations had not been implemented.

50/11 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”

51/11 Internal Audit – Follow up of Audit Recommendations

The Committee considered exempt information in relation to internal audit – follow up of recommendations.

Resolved to note the report in Appendix 3, that showed those recommendations not yet implemented.

Chair of the next ensuing meeting
at which these minutes were signed