

Time Commenced: 6.00pm
Time Finished: 8.15pm

**AUDIT AND ACCOUNTS COMMITTEE
MONDAY 19 FEBRUARY 2007**

Present: Councillor Tittley (Chair)

Councillors Care, Higginbottom, Ingall, Jones, Khan, Roberts,
Smalley and Troup

66/06 Apologies for Absence

Apologies for absence were received from Councillors Allen and West.

67/06 Late Items

There were none.

68/06 Declarations of Interest

Councillor Tittley declared a personal interest in minute number 78/06 as he knew the proposed new Member of the Independent Remuneration Panel.

Councillor Roberts declared a personal interest in minute number 76/06.

69/06 Minutes

The minutes of the meeting held on 7 December 2006 were agreed as a correct record and signed by the Chair.

Called-In Audits

70/06 Recruitment Agency Contract

The Committee received a report from the Corporate Director of Corporate and Adult Social Services.

The Committee noted the progress made on the three recommendations it made at its last meeting.

The report detailed wider implications about the contract for the Council particularly around the auto-approval of timesheets and Members requested that this facility be turned off with effect from 1 April 2007 and that managers should be reminded not to procure temporary staff outside the contract.

Resolved to:

- 1. request that paragraph 3.4 in Appendix 2 be changed to read ‘ Recommendation 2 – temporary staff are still being recruited outside the contract. Managers should not contact agencies directly...’**
- 2. approve the report subject to the above change.**
- 3. request an update report be brought to the next meeting.**

71/06 IT Site Security

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

The Committee noted that the short-term and medium-term targets had now nearly all been met. For short-term items, the partially completed actions involved buildings of which the Council is not the owner and is reliant upon responses from the agents. The medium-term targets had also been mostly achieved, except for some items where the results of surveys or cost estimates are outstanding.

Resolved to note the report and request a further report to the next meeting.

Governance

72/06 Data Quality Audit 2005/06

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

It was noted that the Comprehensive Performance Assessment (CPA) now took management arrangements for data quality and scrutiny of indicators into account when deciding the Council's CPA Score.

Councillors Smalley and Roberts raised concerns that detailed testing by PwC had raised a number of errors and that some targets were being missed by a significant amount.

Resolved to

- 1. ask for an email to all Members of the Committee before the next meeting explaining why targets were missed by a significant amount in relation to the following three issues**
 - BV82b – Composting performance**
 - BV184a – Proportion of non-decent homes**
 - SP – Service users who have moved on in a planned way from temporary living arrangements**

2. **ask PWC to write their reports following 'Plain English' guidance**
3. **To note the findings of the recent review of data quality undertaken by the Council's External Auditors.**
4. **To approve the action plan drawn up to address areas of underperformance**

73/06 Corporate Plan

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

It was noted that it was proposed to increase the number of priorities from four in 2006-09 to six in 2007-10.

Resolved to note the contents of the draft Corporate Plan 2007-2010 and supporting action plan, having paid particular attention to the risks set out in the action plan.

Internal Audit and Risk Management

74/06 Bus Real Time – Chellaston

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

The Committee discussed the difficulties with partnership contracts. Some Members felt that contracts like the Bus Real Time contract in Chellaston should have penalty clauses built into them for when a contract was not completed satisfactorily or on time.

They said contracts in the private sector would always have robust penalty clauses built into them.

Councillor Roberts felt that partnership working was often linked to funding for projects and therefore lessons should be learnt from the Bus Real Time – Chellaston contract, to improve future contract arrangements but he did not feel that partnership contracts should be regarded as inappropriate.

Resolved to

1. **request the Bus Real Time – Chellaston contract be examined to seek redress for the delays and problems that have been experienced;**
2. **officers be reminded to make sure that procurement specifications are tight**
3. **officers need to look at all contracts where partnerships are involved to ensure penalty clauses are built into them**
4. **for any future schemes of this nature, that the Council gets a co-ordinated response with the bus companies involved**

75/06 Partnership Risk Management

The Committee received a report from the Head of Audit and Risk Management. The report was supported by a guidance note from CIPFA's Better Governance Forum on Partnership Risk Management.

It was noted that during the life of a partnership or project, the risk register should be monitored regularly to be able to close risks down when their likelihood has passed or to add new risks in the light of new information. It was also noted that the Council did not currently have a Partnership Register.

Resolved to

- 1. ask Chief Officers to look at the conclusion in the guidance note and decide if they are satisfied that the current partnership risk arrangements are sufficiently robust and well developed. If they are not, that a report be brought to a future meeting on what will be done to ensure this is rectified and;**
- 2. support the creation of a Partnership Register**
- 3. request that guidance for clarifying expectations in partnering and partnership arrangements be brought to a future meeting**

76/06 Audit Quarterly Report

The Committee received a report from the Head of Audit and Risk Management which outlined the activity and performance of Internal Audit in the period 1 October 2006 to 31 January 2007.

Councillor Smalley noted that some audits were not carried out because a department said it was an inconvenient time and asked whether spot checks were carried out without a department's prior knowledge. The Head of Audit and Risk Management said he would like his team to carry out more proactive fraud work in 2007/8 but that this would be determined by available resources.

The chair highlighted that the creation of the Audit and Accounts committee had increased work for the Audit Section.

Resolved to

- 1. call-in the DAVIS audit report;**
- 2. approve the changes to the 2006/7 audit plan as detailed in Appendix 5 of the report;**
- 3. support the Head of Audit and Risk Management in any future bid for additional resources**

77/06 Risk Management Methodology

The Committee received a report from the Head of Audit and Risk Management on the risk management methodology used to produce the Council's risk registers.

It was noted that all risk registers would be brought to future Committee meetings.

Resolved to

- 1. note the risk management methodology used to produce the Council's risk registers**
- 2. request that a briefing paper be circulated to all Members that provides a thumbnail sketch on risk management and that consideration be given to briefing sessions where appropriate.**

Independent Remuneration Panel

78/06 Appointment of Members to the Independent Remuneration Panel

The Committee received a report from the Director of Corporate and Adult Social Services.

Resolved to note the completion of the process of filling vacancies in the membership of the Independent Remuneration Panel on Members' Allowances.

MINUTES END