

AUDIT COMMITTEE

Minutes of the Meeting held on 27 September 2011 at 4.30 pm in the Council Chamber, Williton

Present

Councillor A Trollope-BellewChairman
Councillor E May Vice Chairman

Councillor M Chilcott
Councillor R Lillis
Reverend V Woods

Councillor S Y Goss
Councillor K Mills

Members In Attendance

Councillor K V Kravis
Councillor K J Ross

Councillor D D Ross
Councillor T Taylor

Officers In Attendance

Section 151 Officer (G. Carne)
Group Manager – Housing & Community (I. Timms)
Principal Accountant (S. Plenty)
Accounting Technician (D. Pawson)
Chief Executive (A. Dyer)
Corporate Director (B. Lang)
Meeting Administrator (H. Dobson)

Also In Attendance

Brian Bethell, District Auditor, Audit Commission
Peter Brown, Audit Manager, Audit Commission
Ian Loveys, Audit Commission
Chris Gunn, Group Audit Manager of South West Audit Partnership (SWAP)

A sheet of amendments relating to Agenda Item 10, Audited Statement of Accounts 2010/11, was circulated to the Committee at the start of the meeting.

A19 Apologies for Absence

An apology for absence was received from Councillor P Murphy.

A20 Minutes

(Minutes of the Meeting of Audit Committee held on 21 June 2011 – circulated with the Agenda).

RESOLVED that, subject to including Councillor S Y Goss in apologies for absence, the Minutes of the Meeting of the Audit Committee held on 21 June 2011 be confirmed as a correct record.

A21 Declarations of Interests

Members present at the meeting declared the following personal interests in their capacity as a Member of a County, Parish or Town Council:

Name	Minute No	Description of Interest	Personal or Prejudicial	Action Taken
Cllr A Trollope-Bellew	All	SCC	Personal	Spoke and voted
Cllr S Goss	All	Stogursey	Personal	Spoke and voted
Cllr K Ross	All	Dulverton	Personal	Spoke

A22 Public Participation

No members of the public had requested to speak.

A23 Audit Committee Action Plan

(Action Plan, circulated with the Agenda).

RESOLVED that the Audit Committee Action Plan be noted.

A24 Audit Committee Forward Plan

(Forward Plan, circulated with the Agenda).

RESOLVED that, subject to the following amendments, the Audit Committee Forward Plan be noted.

- a) report from SWAP regarding outstanding Level 4 & 5 action plan recommendations being included for November 2011,
- b) report from the Audit Commission on Certificate of Claims and Returns being moved from March 2012 to November 2011,
- c) IFRS progress report being deleted from March 2012.

A25 Update on Delivery of Audit Commission Strategic Housing Inspection 2009

(Report No. WSC 116/11, circulated with the Agenda).

The purpose of the report was to update Audit Committee on progress in delivering the action plan to address the recommendations produced by the Audit Commission inspection of the Strategic Housing services in 2009.

The Group Manager – Housing and Community reported that although this inspection would be the last of its type and that the action plan would never be monitored by the Audit Commission the recommendations were still relevant and the actions had, therefore, been progressed within the performance management framework.

He advised that there was only one action that was red: R2 the first action in appendix A. Putting this action into practice would have involved implementing ten strategies, also, the integration with Taunton Deane Borough Council had proved to be more problematic than expected. Some of the actions that were green, marked on the report with a star, had been completed. However, most of the actions were amber and were in the process of being implemented. In his opinion,

were the current action plan with the progress made to date to be inspected by the Audit Commission then the Council would be judged as 'fair'.

In response to concern regarding the workload upon decreased levels of staff, Members noted that most of the work to implement the actions had been undertaken, the remaining work therefore should not prove too onerous to implement.

RESOLVED (1) that the progress achieved in delivering the recommendations be noted and that the completed actions within the action plan be signed off.

RESOVLED (2) that any outstanding short-term recommendations ~~are be~~ incorporated into service plans for 2012/13, ~~be approved~~.

RESOLVED (3) that any valid long-term actions ~~are be~~ addressed through the authorities Housing Strategy, ~~be approved~~.

A26 Quarterly Review of Internal Audit Activity

(Quarterly Review of Internal Audit Activity, circulated with the Agenda).

The purpose of the report was to provide a review of the Internal Audit activity plus any significant control weaknesses that remain unresolved.

Group Audit Manager of SWAP outlined the details of the report and advised that level 4/5 action plan recommendations were deemed to be of considerable risk that the Committee ~~needed~~ to be aware of, hence, the inclusion of level four recommendations contained within the Partnership Arrangements action plan at appendix C, attached to the agenda.

In response the Section 151 Officer advised that he would be preparing a report that would address the issues raised within the action plan.

RESOLVED (1) that the position be noted.

RESOLVED (2) that, when available, the Section 151 Officer circulate the report addressing the level 4 and above recommendations of the Partnership Arrangements action plan to members of the Audit Committee who will be requested to agree whether to propose that this matter be included in the Committee Workplan.

A27 Annual Governance Report 2010/11

(Annual Governance Report – West Somerset District Council Audit 2010/11, circulated with the Agenda).

The purpose of the report was to receive the draft Annual Governance Report from the Audit Commission and consider its content prior to approving the accounts.

The District Auditor of the Audit Commission advised that the report set out the issues that had arisen from auditing the Council's financial statements and assessing the arrangements to secure value for money. He planned to give an unqualified opinion on the accounts, and for the first time would also be giving an unqualified opinion on value for money.

The Audit Manager of the Audit Commission advised that due to limited resources within the Finance Team and other work commitments as well as the implementation of IFRS the accounts were not completed by 30 June 2011. The Council's overall financial position ~~had~~ improved greatly, however, significant challenges ~~remained~~ in achieving planned savings and closing future budget gaps. All outstanding matters, as listed on page 5 of the report, attached to the agenda, had been cleared.

Members noted that the issue relating to ~~the~~ how the Council managed and accounted for grants was a weakness in the presentation of the accounts. Also, ~~that~~ the figure of £129,000, an increase in reserves that could not be explained, page 19 of the report attached to the agenda, had been reduced to £11,000.

Members wished to recognise and thank the Lead Member for Resources and Central Support Services, the Section 151 Officer and the Finance Team for the considerable work undertaken in order to produce the accounts, and for their part in achieving an unqualified opinion in value for money.

RESOLVED (1) that the adjustments to the financial statements, set out in appendix 2 of the report attached to the agenda, be noted.

RESOLVED (2) that the Letter of Representation be approved and signed by the Section 151 Officer.

RESOLVED (3) that it be recommended to Cabinet to consider how to deliver the recommendations in the action plan to the Annual Governance Report 2010/11.

RESOLVED (4) that the Finance Team be thanked for the considerable work undertaken in order to produce the accounts, and for their part in achieving an unqualified opinion in value for money.

A28 Audited Statement of Accounts 2010/11

(Report No. WSC 121/11, circulated with the Agenda).

The purpose of the report was to present to Audit Committee the audited accounts for the year ended 31 March 2011.

The Section 151 Officer advised that the accounts before the Committee were the final accounts and not draft as in previous years. The Council ~~were now was~~ required to present the accounts in the same way as other major organisations and with minimum staff levels.

RESOLVED (1) that the audited Statement of Accounts 2010/11, be approved.

RESOLVED (2) that Balance Sheet be signed and dated by the Chairman of the Audit Committee.

A29 Anti Money Laundering Policy and Bribery Act Policy

(Report No. WSC 102/11, circulated with the Agenda).

The purpose of the report was to present an Anti Money Laundering Policy and a Bribery Act Policy in order to ensure that the Council complied with relevant legislation.

| **RESOLVED (1)** that ~~the~~ Council be recommended to approve the Anti Money Laundering Policy, as attached to the agenda of the report.

| **RESOLVED (2)** that ~~the~~ Council be recommended to approve the Bribery Act Policy, as attached to the agenda of the report.

The meeting closed at 5.55 pm.