

NORTH DORSET DISTRICT COUNCIL

MINUTES OF THE ACCOUNTS AND AUDIT COMMITTEE MEETING HELD IN THE COMMITTEE ROOM, NORDON, SALISBURY ROAD, BLANDFORD FORUM ON WEDNESDAY 16 APRIL 2008 AT 10.00AM

Present: Councillor S Hitchings (Chairman)
Councillor C Kay
Councillor R Moyle
Councillor I Stewart
Councillor P Webb

Officers: Vic Smith, Financial Services Manager
Debbie Wiltshire, Audit Partnership Manager

38. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

39. **MINUTES OF MEETING HELD ON 5 MARCH 2008**

The Minutes of the meeting held on 5 March 2008 were confirmed as a correct record and signed by the Chairman.

40. **STRATEGIC FOUR YEAR AUDIT PLAN**

The Committee considered the Strategic Four Year Audit Plan and noted that the Plan is devised to cover all of the auditable areas in each authority within the complete period of the Plan. They also noted that fundamental systems, which have an impact on statutory financial statements are required to be examined annually. Other areas are scored to assess priority order. Differences in similar audits across the three authorities reflect differences in the respective authorities' budget books.

The Committee asked why less contingency was built into the North Dorset Plan compared to that in East Dorset and why they would be receiving 100 more days of officer time. The Audit Partnership Manager responded by saying that East Dorset pay more for the extra capacity and that there was additional contingency from a staff vacancy which will be left vacant for the time-being, and that contingency is effectively split across the three authorities.

The Committee were informed that audits of the Council's housing activity would be covered within the Improvement Grants Audit and the Homelessness Audit.

Members discussed the concessionary travel scheme and its potential risk and impact on the authority. They noted that officers had discussed the issue with counterparts in Dorset County Council.

The Committee was informed that the Risk Scores in the plan were arrived at by adding a series of scores relating to a number of risk criteria for each area. For Example, Concessionary Travel contained a political sensitivity risk.

Members discussed the need for an auditable process for areas to be taken out of the Plan.

Resolved

To approve the Strategic Four Year Audit Plan.

41. **AUDIT REVIEW OF THE TREASURY MANAGEMENT SYSTEM**

Members considered the Audit Review of the Treasury Management System.

The Committee noted that there were no control weaknesses identified and that only one opportunity to improve the system had been identified.

Members noted that staff involved in treasury management had consistently performed to a high level.

The Committee noted that the Treasury Management Panel had not met for some time and that it would be useful for Cabinet to receive an update on this issue.

Resolved

1. To support the recommendations of the internal auditor.
2. To invite Arlingclose to attend a future Cabinet meeting to give an update on Treasury Management.

42. **AUDIT REVIEW OF THE INSURANCE SYSTEM**

The Committee received the Audit Review of the Insurance System. They noted that the single Low Priority Control Weaknesses and the Opportunity to Improve had both been agreed by management and both had been acted on.

Members noted that the Council will now bear less risk due to the closure of leisure centres. Officers expect the benefit from this to arise when the authority re-tenders.

The Committee also noted that insurance is dealt with solely by the District Council and is not the subject of a pathfinder project.

Resolved

To support the recommendations of the internal auditor.

43. **PROGRESS AGAINST AUDIT RECOMMENDATIONS**

Members considered the Progress against Audit Recommendations Report.

They discussed the weakness identified in the Council Tax audit and noted that the legislative discretionary powers referred to, also related to Non Domestic Rates.

The Committee noted that one recommendation from the Travelling & Subsistence audit and one recommendation from the Creditors audit had not been carried out by the previously agreed date.

Resolved

1. That officers responsible for actions within the Travelling and Subsistence Audit be asked to attend the 21st May 2008 Committee if they are unable to complete the actions by this time.
2. That the uncompleted recommendations within Payroll and VAT Audits be granted extensions until May 2008.
3. That the resolution of this Committee in Minute Reference 33 (2b) be carried out before the end of June 2008. There is no need to wait until a Report from the finance system can be produced for this action to go ahead.

The Chairman, Councillor S Hitchings, thanked Committee Members and officers for their support throughout his year as Chairman.

The meeting closed at 11.36pm.

CHAIRMAN