

South Somerset District Council

Minutes of a meeting of the **Audit Committee** held at the on **Thursday 26 June 2014**.

(10.00 - 10.42 am)

Present:

Members: Councillor Derek Yeomans (Chairman)

Ian Martin	Roy Mills
John Dyke	David Norris
Tony Lock	Colin Winder

Officers

Anne Herridge	Democratic Services Officer
Donna Parham	Assistant Director (Finance & Corporate Services)
Amanda Card	Finance Manager
Gubbins	Principal Accountant (Exchequer)

Also Present:

Tim Carroll

1. Minutes (Agenda Item 1)

The minutes of the meeting held on the 24th April 2014, copies of which had been circulated, were taken as read and, having been approved as a correct record, were signed by the Chairman.

2. Apologies for absence (Agenda Item 2)

Apologies for absence were received from Cllrs Terry Mounter, John Calvert, and John Richardson.

3. Declarations of Interest (Agenda Item 3)

There were no declarations of interest.

4. Public question time (Agenda Item 4)

No questions or comments were raised by members of the public

5. Housing Benefit Subsidy certification work plan for South Somerset District Council (Agenda Item)

The Assistant Director (Finance & Corporate Services) introduced the report as detailed in the agenda; she explained the external auditors now only certify the Housing Benefits Subsidy claim. The Department for Work and Pensions (DWP) requires external certification of the claim each year. The Audit Commission sets an indicative fee for grant claim certification based on the 2011/12 actual certification fees for each council. The indicative fee reported in the Audit Plan to the Audit Committee in March 2014 was £12,200. The Audit Commission has **reduced** the indicative fee to £10,736 because certification of council tax benefit is no longer required as part of the Housing Benefit Subsidy scheme.

In response to a question the Assistant Director (Finance & Corporate services) replied that SSDC has a Housing Benefit officer who dealt solely with the Housing Benefit Subsidy claim in order to mitigate any possible errors. It was due to the officers thorough work that of the £40 million paid out in Housing Benefit, the final balance was only out by £286.00. The Assistant Director (Finance & Corporate services) informed members that Housing Benefit subsidy was now included in the SSDC Risk Register.

RESOLVED:

That the Audit Committee noted the contents of the Housing Benefits Subsidy certification work plan for 2013/14.

6. Internal Audit Plan - Review of 2013/14 (Agenda Item)

The SWAP Audit Manager gave an update on the position of the Internal Audit Plan at the end of 2013/14 and also provided Internal Audits overall Opinion on the systems of internal control at South Somerset District Council.

The Wincanton Community Sports Centre had been a cause for concern: It was unusual to carry out a follow-up audit in the same year but, WCSC was unusual due to the number of recommendations it had received. A follow up review had been completed later in the year. a substantial number of the recommendations had been implemented by Leisure East Devon, with plans in place to complete the remaining few. Because of the improvements it had then been unnecessary for the Assistant Director (Health and Well-Being) to attend an Audit Committee meeting to explain the problems with the centre.

Reference was made to the new External Collections (Bailiffs) Audit, the law had recently changed which had provided a fresh opportunity to reassess and re-launch existing practices and procedures in line with audit findings in order to ensure consistency with the use of Bailiffs. A follow up audit was planned for next year.

With reference to Wincanton and Yeovil Town Council's having delegated licensing powers for Taxi, Hackney Carriage/Private Hire Vehicles, Hackney Carriage/Private Hire Drivers and Private Hire Operators (Yeovil also license street trading, street canvassing, busking and charitable collections) the Audit Manager considered there were advantages but there were also disadvantages as practices were not carried out in the same way.

At the close of each audit review a Customer Satisfaction Questionnaire was sent out to the Service Manager or nominated officer. The aim of the questionnaires was to gauge satisfaction against timeliness, quality and professionalism. As part of the Balanced

Scorecard presented to the SWAP Boards, a target of 85% was set where 75% would represent good. The latest Scorecard for the Partnership showed the current average feedback score to be 82%, for South Somerset the average feedback score had increased this year to 85%.

The chairman thanked the Audit Manager for the good report and performance

The Audit Committee was content to note the Internal Audit Annual Report and Opinion.

RESOLVED:

That the content of the Internal Audit Annual Report and Opinion was noted

7. Internal Audit Charter Review (Agenda Item)

The Audit Manager explained that it was a requirement that the Audit Committee approve the Internal Audit Charter annually; there had been no amendments to the Charter since it was last approved.

Audit committee members were content to approve the Internal Audit Charter

RESOLVED:

That the Audit Committee approved the Internal Audit Charter.

8. Review of internal Audit (Agenda Item)

The Assistant Director (Finance & Corporate Services) introduced the report as detailed in full in the agenda. In her opinion and that of the Corporate Governance Group, the system of internal audit was effective. With reference to the SWAP Quality Assessment improvement Plan (QAIP) it was acknowledged that some implementation dates had slipped and it was suggested that an update report on the review of the delivery of internal Audit through SWAP should be presented to the Audit Committee in 6 months' time.

RESOLVED:

That the Audit Committee notes the findings of the review.

9. Annual Governance Statement 2013/14 (Agenda Item)

The Assistant Director (Finance & Corporate Services) explained that as a local authority SSDC was required to demonstrate compliance with the underlying principles of good governance and that a framework exists to demonstrate this. One of the Councils requirements in demonstrating this was to produce an Annual Governance Statement.

The officer confirmed that the Risk Management Strategy still had to be refreshed and made shorter and sharper, a report would be on the agenda for the Audit Committee meeting to be held in July.

RESOLVED:

To approve the 2013/14 Annual Governance Statement.

10. Treasury Management Activity report 2013/14 (Agenda Item)

The Principal Accountant – Exchequer presented the report as detailed in the agenda, she made particular reference to the surplus over budget of £118,000.

The chairman considered the surplus to be a good achievement in the current economic climate. The detail in the report was very clear and he felt the whole finance team gave sound advice beneficial to SSDC.

Members were content to agree to the recommendations.

RESOLVED:

That the Audit Committee agreed:

- To note the Treasury Management Activity for the 2013/14 financial year;
 - To note the position of the individual prudential indicators for the 2013/14 financial year;
 - To note the outlook for the investment performance in 2014/15
 - To recommend the 2013/14 Treasury Management Activity Report to full Council
-

11. Audit Committee Forward Plan (Agenda Item)

Audit Committee members were content to note the forward plan.

RESOLVED: that the Audit Committee Forward Plan be noted as attached at Appendix A.

12. Date of the Next Meeting (Agenda Item)

Members noted that the next scheduled meeting of the Audit Committee would be held on Thursday 24th July 2014 at 10.00 a.m. in the Main Committee Room, Council Offices, Brympton Way, Yeovil.

.....
Chairman