

MEETING AC.06:0910  
DATE 22.10.09

## South Somerset District Council

**Minutes** of a meeting of the **Audit Committee** held in the Main Committee Room, Council Offices, Brympton Way, Yeovil on **Thursday, 22nd October 2009**.

(10.00 a.m. – 10.50 a.m.)

### **Present:**

**Members:** Derek Yeomans (in the Chair)

Mike Best  
John Calvert  
John Hann  
Ian Martin

Roy Mills  
John Richardson (until 10.15 a.m.)  
Peter Roake  
Colin Winder

### **Also Present:**

Tim Carroll  
Robin Munday

### **Officers:**

Donna Parham  
Gary Russ  
Kirsty Jones  
Andrew Blackburn

Assistant Director - Finance and Corporate Services  
Head of Procurement and Support Services  
Housing and Welfare Manager  
Committee Administrator

### **Also Present:**

Terry Bowditch Audit Manager, Audit Commission

## **48. Minutes (Agenda item 1)**

The minutes of the meeting held on the 24th September 2009, copies of which had been circulated, were taken as read and, having been approved as a correct record, were signed by the Chairman.

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## **49. Apologies for Absence (Agenda item 2)**

Apologies for absence were received from Cllr. Alan Smith and Steve Joel (Assistant Director - Health and Wellbeing).

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## **50. Declarations of Interest (Agenda item 3)**

Prior to its consideration, Cllr. John Richardson declared his personal and prejudicial interest in agenda item 6 (Partnering Risk - Risk Management Update) because of his involvement with the Somerset Warm and Well Partnership (one of the partnerships mentioned within the report) through which he may gain financially.

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## 51. Public Question Time (Agenda item 4)

No questions or comments were raised by members of the public.

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## 52. Update on Homelessness Service Action Plan (Agenda item 5)

The Housing and Welfare Manager referred to the agenda report, which provided members with an update on the Homelessness Service Audit Action Plan. She referred to good progress having been made and to four of the five recommended actions arising from the latest Audit Action Plan having been completed, details of which were set out in the agenda report.

In referring to action 7.1, the Housing and Welfare Manager confirmed that the District Executive, at its meeting on 1st October 2009, had agreed to the continued use of the Homeless Prevention Fund and had asked the Audit Committee to consider a policy framework for the future operation of the fund.

With reference to outstanding action 8.1, the Committee noted that although progress had been made in respect of implementing a more robust system for managing aged debts, the work was now scheduled for completion in March 2010.

During the ensuing discussion, the Committee agreed with the comments of the Chairman that the term “aged debts” would be clearer as to its meaning if they were referred to as “over 30 days debts”.

The Committee was pleased with the progress made in respect of the Homelessness Service Audit Action Plan.

- RESOLVED:**
- (1) that the actions and progress made in respect of the Homelessness Service Audit Action Plan be noted and accepted;
  - (2) that it be noted that the implementation target for action 8.1 had been rescheduled for March 2010.

*(Kirsty Jones – Housing and Welfare Manager - (01935) 462744)  
(kirsty.jones@southsomerset.gov.uk)*

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## 53. Partnering Risk - Risk Management Update (Agenda Item 6)

The Head of Procurement and Support Services summarised the agenda report, which updated members on the Risk Register relevant to partnering risk. The report also gave the opportunity for members to comment on how the Council was monitoring risk in relation to its work with partners. He further referred to the heat map in the agenda report and highlighted that there were four risks above the “risk appetite line”. He also referred to the appendix attached to the agenda report, which set out further details of all the partnering risks identified together with controls and actions.

During the ensuing discussion, comment was expressed by members that partnership risks would need monitoring carefully in the future bearing in mind the current economic climate and stability or otherwise of funding. In that respect, the need to monitor those partnerships involving funding from the County Council, e.g. Transport for Somerset, was mentioned.

The Assistant Director - Finance and Corporate Services mentioned that a review of partnerships was being undertaken to ensure that the Council was continuing to receive Value for Money from each of them.

Reference was made by a member to the comment in the agenda report, which questioned whether officers were significantly engaged in risk identification with regard to partnership working. In explaining the reason for that comment, the Head of Procurement and Support Services indicated that rather than being static, partnering risks were becoming quite fluid with some moving at a quicker pace and there was a need for there to be greater focus by officers. He referred to meetings being held to see how such changes could be dealt with.

Reference was made by a member to the three entries in the Risk Register in respect of the South West Audit Partnership and it was questioned why one of the entries was separate from the other two. The Assistant Director - Finance and Corporate Services indicated that when the entries were transferred from finance risks to partnership risks, they had not been brought together on the system. The Head of Procurement and Support Services also referred to there being subtle, specific differences between the three entries, which should be preserved.

Comment was expressed by members that although the Council was acting positively with regard to the monitoring of risk, some of its partners may not be so aware and there may be a need to keep a close eye on the situation.

The Head of Procurement and Support Services commented that he was willing to run a workshop for those who worked in partnership with the Council with regard to risk management. The Committee supported that action being taken and it was suggested that District Council members and representatives from the County Council be included in the workshop.

- RESOLVED:** (1) that the report of the Head of Procurement and Support Services updating members on the risk register relevant to partnering risk be noted;
- (2) that the Committee note the lack of commercial partners that figure in the risk register, which was due to a management decision that all support type partnering risks be located in the individual services risk register thereby affording greater ownership of the supply chain risk;
- (3) that the suggestion of the Head of Procurement and Support Services that a workshop be run with regard to risk management for those organisations who worked in partnership with the Council be supported, such workshop to include District Council members and representatives from the County Council.

*(Gary Russ, Head of Procurement and Support Services - (01935) 462076)*  
*(gary.russ@southsomerset.gov.uk)*

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## 54. Use of Resources (Agenda item 7)

Reference was made to the agenda report, which outlined the detailed judgement of the Audit Commission for the Authority's Use of Resources score for 2008/09.

The Audit Manager from the Audit Commission commented that the scores received in this first year of the new methodology were strong and showed a good performance. He referred to the challenge for the Council being to improve on the good scores in the future. Reference was made to the action plan, which identified the position in order for the Council to improve its Use of Resources score.

Upon looking through the action plan, a number of points were raised including the following:-

- reference was made to the Council's Anti-Fraud and Whistleblowing Policies and to it having been identified that there was poor staff awareness of the content of these policies. The Chairman suggested that the policies be highlighted in induction training/information leaflets. The Assistant Director - Finance and Corporate Services commented that leaflets were being updated and staff would be made aware;
- the Audit Manager mentioned the reference in the report to the resources for benefit fraud investigation being relatively low, which was reflected in the relatively low level of sanctions. The Assistant Director - Finance and Corporate Services reported that the Corporate Governance Group were looking at this issue. It was realised that more resources were needed and a Fraud Manager had been appointed. She also mentioned that the Council had a good record for those cases that were investigated and that there was a system in place to prevent duplicate payments of benefits. There were also controls in place to prevent fraud;
- it was commented generally that the action plan was important and it was felt to be comprehensive. A member questioned how much resource should be put into improving the score bearing in mind the financial climate and restricted resources available. The Audit Manager commented that this was a question for the Council. He indicated that the Use of Resources Judgement was about outcomes and that carrying out the action plan should help generally. Account would also be taken of how the Council was operating with reduced finances and efficiency savings. The Assistant Director - Finance and Corporate Services commented that the action plan took account of resources to carry it out and that many of the actions had been commenced. She also remarked that the Use of Resources score was an individual score on how the Authority was run and managed.

The Committee was pleased with the good Use of Resources score that had been received from the Audit Commission and comment was expressed that the Council performed consistently across the board. The Committee agreed with the suggestion of the Assistant Director - Finance and Corporate Services that a review of the Use of Resources Action Plan be made quarterly.

- RESOLVED:**
- (1) that the Audit Commission Use of Resources Judgement for 2008/09 be noted;
  - (2) that the Use of Resources Action Plan as attached at appendix 2 of the Audit Commission report be approved;
  - (3) that the Committee review the Use of Resources Action Plan on a quarterly basis and the Assistant Director - Finance and Corporate Services submit reports at the appropriate time.

*(Donna Parham, Assistant Director, Finance & Corporate Services - (01935) 462225)  
(donna.parham@southsomerset.gov.uk)*

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**55. Date of Next Meeting (Agenda item 8)**

Members noted that the next meeting would be held on Thursday, 26th November 2009 at 10.00 a.m. in the Main Committee Room, Council Offices, Brympton Way, Yeovil.

**NOTED.**

*(Andrew Blackburn, Committee Administrator – (01460) 260441)  
(andrew.blackburn@southsomerset.gov.uk)*

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Chairman