

MEETING AC.03:1011
DATE 22.07.10

South Somerset District Council

Draft Minutes of a meeting of the **Audit Committee** held in Committee Room 3/4, Council Offices, Brympton Way, Yeovil on **Thursday, 22nd July 2010**.

(10.00 a.m. – 10.45 a.m.)

Present:

Members: Derek Yeomans (in the Chair)

Mike Best	Ian Martin (from 10.10 a.m.)
John Calvert	Roy Mills
John Hann	Colin Winder

Also Present:

Tim Carroll

Officers:

Donna Parham	Assistant Director - Finance and Corporate Services
Karen Gubbins	Principal Accountant - Exchequer
Kirsty Jones	Housing and Welfare Manager
David Norris	Development Manager
Neil Waddleton	Section 106 Monitoring Officer
Andrew Blackburn	Committee Administrator

19. Minutes (Agenda item 1)

The minutes of the meeting held on the 24th June 2010, copies of which had been circulated, were taken as read and, having been approved as a correct record, were signed by the Chairman.

20. Apologies for Absence (Agenda item 2)

Apologies for absence were received from Cllrs. John Richardson, Peter Roake and Robin Munday (Portfolio Holder – Resources and Legal Services).

21. Declarations of Interest (Agenda item 3)

There were no declarations of interest.

22. Public Question Time (Agenda item 4)

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

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

The Housing and Welfare Manager summarised the agenda report, which provided an update on the Homelessness Service Audit Action Plan.

The Committee noted that four of the five actions had been completed. In referring to outstanding action 8.1, the Housing and Welfare Manager reported that a temporary agency worker was now making headway with completing the work to improve the management information for aged debtors. The work was now scheduled to be completed by the end of Quarter 2 – September 2010.

The Committee noted the action being taken and concurred with the rescheduling of the implementation target for action 8.1.

- RESOLVED:**
- (1) that the progress made in respect of the Homelessness Service Audit Action Plan and the need to extend the implementation date for action 8.1 until the end of Quarter 2 – September 2010 be noted and accepted;
 - (2) that the Housing and Welfare Manager submit a further progress report to the Committee in October 2010.

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

24. Audit Review – Section 106 Obligations and Commuted Sums Update Report (Agenda Item 6)

The Development Manager summarised the agenda report, which updated members on the actions taken to date in response to the audit review carried out by the South West Audit Partnership (SWAP) in December 2008 and since the Committee meeting of 25th February 2010 when this matter was last reported. It was agreed at that meeting that a further report be submitted to the Committee when the outcome of the latest audit review was known. That review was finalised in May, the conclusion of which was set out in the agenda report and noted by the Committee.

The Committee discussed the actions that had been taken by the officers to date, details of which were included in the agenda report.

Reference was made to the web-based monitoring software purchased from Idox, which had been installed in June and the Development Manager indicated that it was anticipated that a presentation of the system would be made to the Audit Committee in October.

In response to questions from members, the officers commented that this was the only system on the market that would allow monitoring of Section 106 Obligations in this way and that the user group would assist in tailoring the system to the Council's needs. The Committee noted that geographical and parish information was being uploaded to the system after which the details of Section 106 Obligations could be inputted. It was also reported that officers would be visiting Winchester who were already using the system to see how it had been tailored to their needs. It was further noted that it was the intention that all Councillors and other Council departments would be able to look at the details on the system.

Members indicated that they would look forward to seeing the demonstration of the Idox system at the meeting of the Audit Committee to be held on 28th October 2010.

RESOLVED: that the report be noted and the actions taken in respect of the monitoring of Section 106 Planning Obligations be endorsed.

(David Norris, Development Manager - 01935 462382)
(david.norris@southsomerset.gov.uk)

25. Local Code of Corporate Governance (Agenda item 7)

The Assistant Director – Finance and Corporate Services summarised the agenda report, which outlined updates to the Local Code of Corporate Governance.

The Assistant Director further mentioned that one of the references to the previous Joint Area Committees within the Code had not been amended and consequently the wording “Themed discussions at Joint Area Committees” on page 18 of the agenda should read “Themed discussions at Area Committees”.

Upon considering the document, the Committee concurred with the suggestion of a member that “Community/Village Planning” should be added to the list of methods by which compliance could be demonstrated in relation to ensuring that a vision for our local communities was developed in consultation with local people and other stakeholders (page 14 of the agenda).

In response to questions from members, the meaning of some of the wording within the code was clarified.

RESOLVED: that the revised Local Code of Corporate Governance as attached to pages 11-27 of the agenda be approved subject to the above amendments being made to the document.

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

26. Treasury Management Performance to June 2010 (Agenda item 8)

The Principal Accountant – Exchequer introduced the report and the Committee reviewed the Treasury Management activity and the performance against the Prudential Indicators for the three months ended 30th June 2010.

The Principal Accountant – Exchequer, in referring to the returns on investments so far for 2010/11, remarked that the figures for the first 3 months of the year showed a shortfall under budget of £11,000. She also commented that it was currently estimated that the position at the end of the financial year would be an overall adverse variance in the order of £7,000.

The Assistant Director – Finance and Corporate Services informed members that there was a reserve set up for Treasury Management shortfalls of £500,000.

RESOLVED: (1) that the Treasury Management activity for the three month period ended 30th June 2010 be noted;

(2) that the position of the individual Prudential Indicators for the three month period ended 30th June 2010 be noted.

(Karen Gubbins, Principal Accountant - Exchequer – 01935 462456)
(karen.gubbins@southsomerset.gov.uk)

27. Partnership Governance with East Devon District Council (Agenda item 9)

The Assistant Director – Finance and Corporate Services summarised the agenda report, which updated the Committee on the progress of the partnership with East Devon District Council and on any consequent changes to areas of governance.

The Assistant Director further reported that the timetable for budget setting and considering joint working had been amended as follows:-

9th September – the Joint Integration Committee would be considering the business cases for shared services in respect of the first eight work streams (phase 3);

20th October – the Government is expected to outline spending cuts in respect of local government funding over the next three or four years;

28th October – the Joint Integration Committee will consider joint management arrangements for Directors and Assistant Directors/Heads of Service (phase 2);

29th October – a Joint Scrutiny Committee will review the proposed phase 2 arrangements;

4th November – SSSC District Executive will review budget savings including a joint management structure and proposals for shared services in light of the Government's announcement on future local authority funding;

5th November – East Devon's Executive meet to consider options as outlined above;

18th November – SSSC Full Council will consider the options put forward by the District Executive.

8th December – East Devon Full Council will consider similar proposals.

It was noted that if both authorities agreed at this stage then the implementation of a shared senior management structure would be in place by April 2011. Work towards shared services would continue during 2011 and 2012 starting particularly with the 8 service areas already identified. Shared services for these areas would be largely implemented by April 2012.

The Assistant Director further reported that the 20th October 2010 was a key date and would enable members to look at the options in the light of the Government announcement on public sector financing.

In response to a question, the Assistant Director explained the different phases being undertaken in progressing the partnership with EDDC.

The Assistant Director further reported that there would be a need for some constitutional changes to enable joint working to take place and that the Audit Committee would be able to look at whether there were any governance issues arising from the emerging workstreams.

The Committee concurred with the comments of the Chairman who asked that a further report be submitted to the Committee in September giving feedback on any governance issues arising from the emerging workstreams. It was also asked that members be sent

information regarding the joint workstreams as it became available to enable them to absorb it before the September Audit Committee meeting.

- RESOLVED:** (1) that the report of the Assistant Director – Finance and Corporate Services giving an update on joint working with East Devon District Council be noted;
- (2) that the Assistant Director – Finance and Corporate Services submit a further report to the Committee in September 2010 giving feedback on any governance issues arising from the emerging workstreams.

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

28. Use of Resources (Agenda item 10)

The Assistant Director – Finance and Corporate Services introduced the report, which outlined the changes to the Comprehensive Area Assessment regime and the consequent impact on the Use of Resources annual judgement. Members were informed that the Comprehensive Area Assessment and consequently the Use of Resources regime had now ceased. It was noted, however, that the Audit Commission would still be looking at the authority's accounts and making a Value for Money judgement.

RESOLVED: that the Committee note that the Comprehensive Area Assessment and consequently the Use of Resources regime had now ceased.

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

29. Date of Next Meeting (Agenda item 11)

Members noted that the next meeting would be held on Thursday, 26th August 2010 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