

Audit and Governance Committee Report



11 July 2012

Report of: **Strategic Director**

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To: Audit and Governance Committee

DATE: 11 July 2012

Wards Affected
All

Actions arising

Recommendation

That members note the content of the report

Purpose of report

1. The purpose of this report is to respond on actions arising from previous committee meetings.
2. The contact officer for this report is Steve Bishop, strategic director and s.151 chief finance officer for South Oxfordshire District Council and Vale of White Horse District Council, telephone (SODC) 01491 823831 and (VWHDC) 01235 540332.

Strategic objectives

3. To assist the council to manage its business effectively by providing an assurance framework to monitor the overall adequacy and effectiveness of the internal control environment.

Matters arising

4.

(a) Annual Governance Statement AG.32 & AG.35	Committee Date – 28 September 2011
On 28 September 2011, the committee suggested introducing an investment strategy, particularly in relation to property.	
Comment The updated annual governance statement in September 2011 included this	Action Retain on matters arising for review.

<p>recommendation. This suggestion had been referred to the asset management group for consideration. This would be considered at the next meeting of the Asset Management Group on 4 May 2012.</p>	
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(b) ICT report	Committee Date – 18 January 2012
<p>The committee sought assurances in the internal audit follow-up reports that staff leavers' names and logins had been quickly removed from the council's IT systems to prevent unauthorised access.</p>	
<p>Comment The committee considered that this item should remain on the matters arising list until the additional ICT follow up had been completed and reported to the next committee meeting.</p>	<p>Action Retain on matters arising list.</p>

(c) Waste Mgt and Recycling report	Committee Date – 18 January 2012
<p>The committee asked for an update of whether Biffa was complying with the council's instruction not to collect garden waste from the addresses of persistent non-payers.</p>	
<p>Comment The committee were keen to ensure that this item was kept under review to consider the possibility of a licensing scheme, eg annual stickers or coloured tags on the bins to monitor who had, and had not, paid for their collections.</p>	<p>Action To ask Biffa for an update on the progress of their operative training. Retain on matters arising list.</p>

(d) Audit Commission progress report	Committee Date – 18 January 2012
<p>The strategic director undertook to investigate whether any further action was necessary on the other key considerations suggested by the Audit Commission.</p>	
<p>Comment</p> <ul style="list-style-type: none"> • The council had not used the Audit Commission's VFM profiles but we are now looking at them. • The council had used the Audit Commission's Single Person Discount (SPD) comparator tool which demonstrates we have low SPD numbers compared to other councils. • The council had not formally completed the fraud prevention checklist, but the Audit Manager has a service plan target of reviewing the fraud and money laundering control environment and will incorporate the checklist into her review. • The DCLG plain English guide to localism had been circulated to councillors. 	<p>Action Retain on matters arising list.</p>

(e) Treasury management strategy annual review	Committee Date – 18 January 2012
<p>The committee noted the officers' intention to introduce treasury management training for officers in the accountancy team shared with South Oxfordshire District Council. It was</p>	

hoped that an update could be given at the next meeting.	
Comment The committee noted that a training analysis had been carried out and a training programme was being implemented.	Action Retain on matters arising list.

(f) Treasury management strategy annual review	Committee Date – 18 January 2012
The committee requested the council's asset management group to consider whether the ratio of physical property and financial investments was still fit for purpose.	
Comment The committee noted that this suggestion had been referred to the council's asset management group.	Action Retain on matters arising list.

(g) Business continuity and risk management update AG.52	Committee Date – 18 January 2012
The committee asked the officers to report back on the timescale for testing the business continuity arrangements and to confirm that business continuity arrangements are in place for the council's largest and most important contracts and that the officers are satisfied with the arrangements.	
Comment The committee noted that in collaboration with Oxfordshire County Council, this council would be carrying out a simulated walk-through test of its business continuity plans alongside an emergency plan exercise on 24 April 2012. The results of the test would be reported to the committee. The officers had reviewed the business continuity plans of each of the council's six major contractors and confirmed that they were fit for purpose.	Action Retain on matters arising list.

(h) Complaints panel	Committee Date – 21 March 2012
The committee requested that a complaints panel was set up to consider a complaint by a Radley resident and advise the chief executive and group leaders on any further action considered appropriate.	
Comment The panel has been established and a meeting with the reporting officers and the complainant is awaited.	Action Retain on matters arising list.

(i) Internal audit activity report on ICT	Committee Date – 21 March 2012
The committee requested that the internal audit report on ICT be presented to the next committee meeting	
Comment On 11 July agenda	Action Retain on matters arising list.

(j) Internal audit activity report – systemic control weaknesses	Committee Date – 21 March 2012
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The committee requested that the summary of systemic control weaknesses shall be included in every internal audit activity report but the supporting tables shall only be included in the annual report.	
Comment As requested; within 11 July agenda	Action Retain on matters arising list.

(k) Comments on internal audit reports not presented to committee – National non-domestic rates	Committee Date – 21 March 2012
The committee requested that when further details of the government's changes to the national non-domestic rates system became available, Cabinet, Council and this committee should be informed.	
Comment Head of finance to update when in due course	Action Retain on matters arising list.

(l) Internal audit plan – assessing other areas	Committee Date – 21 March 2012
The audit manager agreed to assess areas that had not been included in the schedule of auditable activity to ensure that external reviews of those areas were comprehensive.	
Comment Two areas identified: food and safety team and legal services. The Audit Manager has analysed the external reviews undertaken and considers that internal audit should carry out further work in the food and safety area. This has been added to schedule of audit activity.	Action Retain on matters arising list.

STEVE BISHOP
STRATEGIC DIRECTOR