

# Audit & Governance Committee

Tue 15 Nov  
2011  
6.00 pm

Committee Room 3  
Town Hall  
Redditch

**REDDITCH BOROUGH COUNCIL**  


*making  
a  
difference*

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# Access to Information - Your Rights

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The Local Government (Access to Information) Act 1985 widened the rights of press and public to attend Local Authority meetings and to see certain documents. Recently the Freedom of Information Act 2000, has further broadened these rights, and limited exemptions under the 1985 Act.

Your main rights are set out below:-

- Automatic right to attend all Council and Committee meetings unless the business would disclose confidential or “exempt” information.
- Automatic right to inspect agenda and public reports at least five days before the date of the meeting.
- Automatic right to inspect minutes of the Council and its Committees (or summaries of business undertaken in private) for up to six years following a meeting.
- Automatic right to inspect lists of background papers used in the preparation of public reports.
- Access, upon request, to the background papers on which reports are based for a period of up to four years from the date of the meeting.
- Access to a public register stating the names and addresses and electoral areas of all Councillors with details of the membership of all Committees etc.
- A reasonable number of copies of agenda and reports relating to items to be considered in public must be made available to the public attending meetings of the Council and its Committees etc.
- Access to a list specifying those powers which the Council has delegated to its Officers indicating also the titles of the Officers concerned.
- Access to a summary of the rights of the public to attend meetings of the Council and its Committees etc. and to inspect and copy documents.
- In addition, the public now has a right to be present when the Council determines “Key Decisions” unless the business would disclose confidential or “exempt” information.
- Unless otherwise stated, all items of business before the Executive Committee are Key Decisions.
- (Copies of Agenda Lists are published in advance of the meetings on the Council’s Website:  
**[www.redditchbc.gov.uk](http://www.redditchbc.gov.uk)**

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**If you have any queries on this Agenda or any of the decisions taken or wish to exercise any of the above rights of access to information, please contact  
Denise Sunman  
Committee Support Services**

**Town Hall, Walter Stranz Square, Redditch, B98 8AH  
Tel: (01527) 64252 ext 3270 Fax: (01527) 65216  
e.mail: [denise.sunman@bromsgroveandredditch.gov.uk](mailto:denise.sunman@bromsgroveandredditch.gov.uk) Minicom: 595528**

# Welcome to today's meeting.

## Guidance for the Public

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### ***Agenda Papers***

The **Agenda List** at the front of the Agenda summarises the issues to be discussed and is followed by the Officers' full supporting **Reports**.

### ***Chair***

The Chair is responsible for the proper conduct of the meeting. Generally to one side of the Chair is the Committee Support Officer who gives advice on the proper conduct of the meeting and ensures that the debate and the decisions are properly recorded. On the Chair's other side are the relevant Council Officers. The Councillors ("Members") of the Committee occupy the remaining seats around the table.

### ***Running Order***

Items will normally be taken in the order printed but, in particular circumstances, the Chair may agree to vary the order.

***Refreshments*** : tea, coffee and water are normally available at meetings - please serve yourself.

### ***Decisions***

Decisions at the meeting will be taken by the **Councillors** who are the democratically elected representatives. They are advised by **Officers** who are paid professionals and do not have a vote.

### ***Members of the Public***

Members of the public may, by prior arrangement, speak at meetings of the Council or its Committees. Specific procedures exist for Appeals Hearings or for meetings involving Licence or Planning Applications. For further information on this point, please speak to the Committee Support Officer.

### ***Special Arrangements***

If you have any particular needs, please contact the Committee Support Officer.

Infra-red devices for the hearing impaired are available on request at the meeting. Other facilities may require prior arrangement.

### ***Further Information***

If you require any further information, please contact the Committee Support Officer (see foot of page opposite).

### ***Fire/ Emergency instructions***

**If the alarm is sounded, please leave the building by the nearest available exit – these are clearly indicated within all the Committee Rooms.**

**If you discover a fire, inform a member of staff or operate the nearest alarm call point (wall mounted red rectangular box). In the event of the fire alarm sounding, leave the building immediately following the fire exit signs. Officers have been appointed with responsibility to ensure that all visitors are escorted from the building.**

**Do Not stop to collect personal belongings.**

**Do Not use lifts.**

**Do Not re-enter the building until told to do so.**

**The emergency Assembly Area is on Walter Stranz Square.**

# Declaration of Interests: Guidance for Councillors

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DO I HAVE A "PERSONAL INTEREST" ?

- Where the item relates or is likely to affect your **registered interests** (what you have declared on the formal Register of Interests)

**OR**

- Where a decision in relation to the item might reasonably be regarded as affecting **your own** well-being or financial position, or that of your **family**, or your **close associates** more than most other people affected by the issue,

you have a personal interest.

WHAT MUST I DO? **Declare the existence, and nature, of your interest and stay**

- The declaration must relate to specific business being decided - a general scattergun approach is not needed
- **Exception** - where interest arises only because of your membership of another **public body**, there is no need to declare unless you **speak** on the matter.
- You **can vote** on the matter.

IS IT A "PREJUDICIAL INTEREST" ?

In general only if:-

- It is a personal interest **and**
- The item affects your **financial position** (or conveys other benefits), or the position of your **family, close associates** or bodies through which you have a **registered interest** (or relates to the exercise of **regulatory functions** in relation to these groups)

**and**

- A member of public, with knowledge of the relevant facts, would reasonably believe the interest was likely to **prejudice** your judgement of the public interest.

WHAT MUST I DO? **Declare and Withdraw**

BUT you may make representations to the meeting before withdrawing, **if** the public have similar rights (such as the right to speak at Planning Committee).



# Audit and Governance Committee

15th November 2012

6.00 pm

Committee Room 3 Town Hall

## Agenda

### Membership:

Cllrs:	Bill Hartnett (Chair)	Andrew Brazier
	Rebecca Blake (Vice-Chair)	Malcolm Hall
	Peter Anderson	William Norton
	Michael Braley	Luke Stephens

<p><b>1. Apologies</b></p>	<p>To receive the apologies of any Member who is unable to attend the meeting.</p>
<p><b>2. Declarations of Interest</b></p>	<p>To invite Councillors to declare any interests they may have in items on the agenda.</p>
<p><b>3. Minutes</b> (Pages 1 - 6) Chief Executive</p>	<p>To confirm as a correct record the minutes of the meeting of the Audit and Governance Committee held on 26th September 2011.</p> <p>(Minutes attached)</p>
<p><b>4. Internal Audit - Use of Resources</b>  Worcestershire Internal Audit Shared Service Manager</p>	<p>To consider a report on the use of resources in relation to Internal Audit.</p> <p>(Report to follow)</p> <p><b>(No Specific Ward Relevance);</b></p>
<p><b>5. Exclusion of the Public</b></p>	<p>Should it be necessary, in the opinion of the Chief Executive, to consider excluding the public from the meeting in relation to any items of business on the grounds that exempt information is likely to be divulged it may be necessary to move the following resolution:</p> <p><b>“that, under S.100 I of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, the public be excluded from the meeting for the following matters on the grounds that they involve(s) the likely disclosure of exempt information as defined in of Part 1 of Schedule 12 (A) of the said Act, as amended.”</b></p> <p><b>[Subject to the “public interest” test, information relating to:</b></p> <ul style="list-style-type: none"> <li>• <b>Para 1 – <u>any individual</u>;</b></li> </ul>

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|  | <ul style="list-style-type: none"><li>• Para 2 – the <u>identity of any individual</u>;</li><li>• Para 3 – <u>financial or business affairs</u>;</li><li>• Para 4 – <u>labour relations matters</u>;</li><li>• Para 5 – <u>legal professional privilege</u>;</li><li>• Para 6 – <u>a notice, order or direction</u>;</li><li>• Para 7 – the <u>prevention, investigation or prosecution of crime</u>;<br/>may need to be considered as ‘exempt’.]</li></ul> |
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# Audit & Governance Committee

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26th September 2011

## MINUTES

### Present:

Councillor Bill Hartnett (Chair), Councillor Rebecca Blake (Vice-Chair) and Councillors Peter Anderson, Michael Braley, Andrew Brazier, Malcolm Hall, William Norton and Luke Stephens

### Also Present:

E Cave and D Evans (Audit Commission)

### Officers:

T Kristunas, S Morgan and Jayne Pickering  
A Bromage and G Tanfield (Worcestershire Internal Audit Shared Services)

### Committee Services Officer:

D Sunman

## 9. APOLOGIES

There were no apologies for absence.

## 10. DECLARATIONS OF INTEREST

There were no declarations of interest.

## 11. MINUTES

### RESOLVED that

The minutes of the meeting of the Committee held on 29th June 2011 be confirmed as a correct record and signed by the Chair.

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Chair

# Audit And Governance

## Committee

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### 12. ANNUAL GOVERNANCE REPORT 2010/11

The District Auditor presented her Annual Governance Report 2010/11 that summarised the findings from the 2010/11 audit.

She confirmed that the accounts were free from material errors and concluded that an unqualified opinion on the accounts would be issued together with an unqualified Value for Money by the statutory deadline on 30th September 2011.

She outlined a number of errors in the financial statements, all of which had been amended except one. This error had occurred in applying rent increases for 2010/11.

Members were informed that although this had been a small amount for each tenant it had meant that the rent disclosed as income in the Housing Revenue Account (HRA) had been overstated for the year. They were also informed that the impact on tenants had been corrected in 2011/12 but the overstatement in the financial statements remained, although she was satisfied that it did not materially misstate the position.

The Committee discussed whether tenants should be informed of the error but agreed unanimously that, on this occasion, as it had been caused by a system failure and following the advice of the District Auditor it was not necessary to do so.

#### **RESOLVED that**

- 1) **the Annual Governance Report 2010/11 be considered and noted; and**
- 2) **the draft letter of representation be approved on behalf of the Council and include the following paragraph:**

***“I have considered the error which overstates HRA income by £241k and do not consider it is material to the accounts. The marginal error in rent increases which gave rise to this error has already been amended.”***

### 13. STATEMENT OF ACCOUNTS 2010/11

The Committee received the Council's Statement of Accounts 2010/11 for approval.

Officers explained changes in the format of the Statement of Accounts from previous years, which had been made to comply with the International Financial Reporting Standards (IFRS).

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### **RESOLVED that**

- 1) the amendments to the Statement of Accounts be noted;**
- 2) the 2010/11 Statement of Accounts, as attached to the report be approved: and**
- 3) a copy of the Statement be signed at the meeting by the Chair (or in his absence, the Vice-Chair, or other Member presiding).**

#### **14. ACTION PLAN - ANNUAL AUDIT LETTER**

Members considered a report on the actions taken in response to recommendations made in the Audit Commission's Annual Audit Letter 2009/10, which was considered by this Committee on 24th January 2011.

### **RESOLVED that**

- 1) the actions of officers in response to the Audit Commission's recommendations, attached at Appendix 1 of the report, be noted; and**
- 2) an update report on the Council's progress on the National Fraud Initiative be submitted to the next meeting of the Committee.**

#### **15. INTERNAL AUDIT - INTERIM MONITORING REPORT 2011/12**

The Committee considered the Internal Audit Monitoring report for the period 1st April to 31st July 2011.

Members were informed that the report provided an overview of the utilisation of Internal Audit resources during the first quarter of the financial year 2011/12 as specified in the Annual Audit Plan, which had been approved by this Committee on 18th April 2011.

Officers reported that the Worcestershire Internal Audit Shared Service (WIASS) had become operational from 1st June 2011 and that, as part of the transfer process, productive and non-productive time had been reclassified in accordance with the shared service definition of chargeable and non-chargeable activities.

With reference to Appendix 2 of the report, members were informed that some of the results were below target as at 31st July 2011. However, additional resources had been made available from another site to assist with the delivery of the Audit Plan.

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Members expressed their concerns that historically the service had been under-resourced to meet the targets set out in the Audit Plan, which had been exacerbated by sickness levels in the team. They had been assured that the new shared service would provide a solution to the problem and were concerned that targets were still not being met and that this would continue to be so.

The Audit and Governance Committee was not scheduled to meet again until January 2012 and members felt that the issue of missed targets, and the underlying reasons, needed to be addressed sooner.

Officers agreed to meet in October, once half yearly performance figures were available to identify what resources would be required, if any, to meet the targets set out in the Audit Plan by the end of the financial year.

### **RESOLVED that**

- 1) **the report be noted; and**
- 2) **Members be notified of the use of resources following the Officers' meeting in October;**
- 3) **In future the Appendix listing 'High' and 'Medium Priority' Recommendations be amended to use '*must*' or '*be*' rather than '*should*'.**

### **16. INTERNAL AUDIT - STATEMENT OF INTERNAL CONTROL RETURNS AND GARAGES - UPDATE**

Members received an update as requested by the Chair at the meeting of this Committee on 29th June 2011 as follows:

- a) Statement of Internal Control Returns.

Members were informed that all outstanding statements had been completed by the end of July and that the Chair advised. Officers reported that the reasons for late returns had included omission by a Service Manager, work load and staff turnover.

- b) Garages

Officers reported that work had been continuing to provide an accurate reflection of stock provision using the Council's Saffron database. Internal Audit was satisfied that the database provided satisfactory / resilient records. Further

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checks would take place in the near future to obtain evidence that the records were correct.

**RESOLVED that**

**the report be noted.**

## **17. MARKET SERVICE INCOME RECORDING SYSTEM**

Members received an oral update regarding the Market Service Income Recording System that had been requested by this Committee at their meeting on 18th April 2011.

Officers reported that all recommendations had now been implemented and would be monitored in future to ensure compliance.

Officers agreed to check, and advise members, whether cash collected from Market Traders could be deposited at Cashiers in the Town Hall.

**RESOLVED that**

**the report be noted.**

## **18. STORES AUDIT**

Members received an oral update regarding the Stores Audit that had been requested by this Committee at their meeting on 18th April 2011.

Officers reported the following:

- a) All stock records showing nil balances have been marked as discontinued;
- b) Investigating ways to dispose of dormant /redundant stock, possibly through ORB or E-bay;
- c) Independent Stock taking now taking place;
- d) Write-off provision has been increased to £1,800; and
- e) Purchasing – investigating Framework Agreements.

**RESOLVED that**

**the report be noted.**

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**19. COMMITTEE WORK PROGRAMME 2011/12**

Members considered the Audit and Governance Committee's rolling Work Programme for 2010/12.

**RESOLVED that**

**subject to the addition to the Programme of the item detailed at Minute 14 above, the report be noted.**

The Meeting commenced at 7.00 pm  
and closed at 9.00 pm

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Chair