

Minutes of Accounts & Audit Committee

Meeting Date: Wednesday, 22 August 2012 starting at 6.30pm
Present: Councillor J Hill (Chairman)

Councillors:

P Ainsworth	G Mirfin
R Bennett	R Newmark
I Brown	M Thomas
S Hore	N C Walsh
A Knox	

In attendance: Chief Executive, Director of Resources, Head of Financial Services, Head of Legal and Democratic Services and the Principal Auditor.

Also in attendance: Georgia Jones (Audit Commission).

252 APOLOGIES

An apology for absence from the meeting was submitted on behalf of Councillor S Bibby.

253 MINUTES

The minutes of the meeting held on 27 June 2012 were approved as a correct record and signed by the Chairman.

254 DECLARATIONS OF INTEREST

There were no declarations of interest at the meeting.

255 PUBLIC PARTICIPATION

There was no public participation.

256 IMPLEMENTATION OF THE CODE OF CONDUCT – COUNCIL PROCEDURES

Committee received a report from the Head of Legal and Democratic Services in relation to the implementation of those provisions of the Localism Act 2011 which relate to issues of Member conduct.

She reminded Members that the new provisions on Member conduct had been considered by the Council's Standards and Policy and Finance Committees culminating in a referral to Full Council on 17 July 2012. Council confirmed that responsibility for matters relating to the conduct of Members should be included within the Terms of Reference of the Accounts and Audit Committee.

It was for Committee to now decide on the steps necessary to implement the provisions of the Localism Act and in particular to consider the following.

1. Registration of a disclosable pecuniary interest, namely:
 - making arrangements for Members to disclose their pecuniary interests
 - informing Members about the different rules which apply when decisions are made where they have a disclosable pecuniary interest as compared to the previous Code of Conduct obligations
2. Standing Orders – changes were discussed which would reflect on the new requirements.
3. Dispensations – a procedure for dispensation was discussed in some detail.
4. Complaints – Committee were asked to decide how complaints would be submitted to the Council, the procedure by which complaints would be considered and how the role of the independent Member would be incorporated into the process.

She gave details of the new register of interests and informed Members that a training session had been arranged for 2 October 2012 to which all Members would be invited to attend.

A report would be taken to the next meeting of Policy and Finance Committee to attend the Council's standing orders. She gave details of how the standing order relating to disclosures differed from the previous version. Reference was also made to the dispensations on Members' interests. Finally, Members were made aware of how the new regime on complaints against Members would operate and in particular how the new system would work in practice.

Members then raised a number of questions in relation to declarations of interests and what was and what was not affected. Members were reminded that a copy of the recent government guidance would be made available.

Members welcomed the fact that they would be informed and involved with any complaints against them at a much earlier stage than previously. Other issues raised included the format of the complaints form which it was suggested should be revised.

RESOLVED: That Committee

1. endorse the arrangements set out at 3.1 (register);
2. recommend the proposed amended standing order set out at 3.2 (ii) to Policy and Finance Committee;
3. delegate the grant of dispensations to a sub-Committee comprising three Members of the Accounts and Audit Committee convened by the proper officer in this case the Monitoring Officer as set out at 3.3; and

4. authorise the use of procedures set out at 3.4 for complaints investigation as now amended.

257 ANNUAL GOVERNANCE REPORT

Georgia Jones of the Audit Committee submitted the Annual Governance Report that they would be sending the Borough Council on the completion of their audit for 2011/2012. The report summarised the findings from the 2011/2012 audit which was substantially complete and included messages arising from the audit of the financial statements and the results of the work that had been undertaken to assess the arrangements to secure value for money in the use of resources.

She requested that the Accounts and Audit Committee consider the matters she had raised, take note of the adjustments to the financial statement, agree to adjust the errors in that statement, approve the letter of representation on behalf of the Council and note the assessment against the value for money criteria.

RESOLVED: That the report be accepted and thanks from the Audit Committee be conveyed to the Director of Resources and the Head of Financial Services and their staff for the efficient way in which they have completed the Council's accounts for 2011/2012.

258 LETTER OF REPRESENTATION

The Director of Resources submitted a report which included the Letter of Representation that the Audit Commission required to be signed before they would sign off the accounts.

This letter sets out assurances from the Council to the Audit Commission that relevant accounting standards had been complied with and gave further assurances that the Council had disclosed information, where to withhold it would have undermined the accuracy and reliability of the Statement of Accounts.

RESOLVED: That Committee approve the Director of Resources signing the letter of representation for 2011/2012.

259 STATEMENT OF ACCOUNTS 2011/2012

The Director of Resources submitted a report asking Committee to formally approve the Statement of Accounts for 2011/2012 following audit. These had been previously approved subject to audit which had now been completed. The final approved version had to be published by the end of September 2012.

The Head of Financial Services reported that he was pleased that in the main there had only been minor adjustments to the draft accounts recommended by the auditors, which were mainly changes in the presentation of items of information contained in the notes to the accounts.

RESOLVED: That Committee approve the audited Statement of Accounts for 2011/2012 and these were then signed by the Chairman.

260

2012 PROCUREMENT UPDATE

Committee considered a report on the latest position with regard to procurement at Ribble Valley Borough Council. The last update to Committee on procurement had been presented in November 2009 when Members were informed how the profile of procurement had been raised, particularly within the public sector, over previous years.

Details were given of the Council's procurement procedures and their relationship with financial regulations, contract procedure rules, the Ribble Valley Environmental Action Plan and the procurement system. The report also covered partnership working and gave details of the procurement work plan, Council spend analysis on goods and services and future issues for procurement. Members also discussed the complexities around engaging with Small and Medium Enterprises (SMES) in tendering opportunities and the balance with maximising savings.

Members then discussed the report in some detail.

RESOLVED: That the report be noted.

261

CONFIRMATION OF AUDITOR APPOINTMENT

Members were informed of the confirmed appointment of the Council's external auditor. Committee were reminded that the Audit Commission had announced that it had agreed to transfer the work of its in-house audit practice to the private sector by outsourcing through a procurement exercise. The Council had now been formally notified of the appointment of Grant Thornton UK LLP as the Council's external auditor as from 1 September 2012.

RESOLVED: The report be noted.

262

RISK MANAGEMENT – UPDATE ON RED RISKS

Members were provided with an update on the current areas of high risk for the Council as identified on the risk register.

At the time of reporting to Committee, there was only one red risk on the Council's risk register which was the same as reported to Committee at its meeting on 27 June and related to the delivery of the Council's paper and cardboard waste to Lancashire County Council's PFI facility. The risk status currently remained unchanged from that reported at the last meeting.

RESOLVED: That the report be noted.

263

INTERNAL AUDIT PROGRESS REPORT 2012/2013

Committee received the report on the internal audit work progress to date for 2012/2013. Members were given details of the full internal audit plan but were also informed that owing to an unprogrammed piece of work, and post vacancies within the team, this work plan had slipped from its programmed timetable.

RESOLVED: That the report be noted.

264 EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That by virtue of the next item of business being exempt information under Categories 1 and 4 of Schedule 12A of the Local Government Act 1972, the press and public be now excluded from the meeting.

265 OUTCOME OF AUDIT INVESTIGATION

The Director of Resources briefly updated Committee with the latest position on a current investigation. A full report will be presented to the Accounts and Audit Committee once the matter has been concluded.

The meeting closed at 8pm.

If you have any queries on these minutes please contact Jane Pearson (414430).