

Minutes of Accounts & Audit Committee

Meeting Date: Wednesday, 2 April 2014, starting at 6.30pm
Present: Councillor JB Hill (Chairman)

Councillors:

P Ainsworth	R Newmark
R Bennett	M Thomas
I Brown	N C Walsh
G Mirfin	

In attendance: Chief Executive, Director of Resources, Head of Financial Services and Karen Murray and Andrew Cook (Grant Thornton).

702 APOLOGIES

Apologies for absence from the meeting were submitted on behalf of Councillor J Shervey.

703 MINUTES

The minutes of the meeting held on 28 August 2013 were approved as a correct record and signed by the Chairman.

(The meeting scheduled on 20 November 2013 was not quorate and did not formally take place).

704 DECLARATIONS OF INTEREST

There were no declarations of interest at the meeting.

705 PUBLIC PARTICIPATION

There was no public participation.

706 CLOSURE OF ACCOUNTS TIMETABLE 2013/14

The Director of Resources submitted a report reminding Members of the statutory requirement to close down our accounts by the 30 June 2014 and to publish them including any certificate, opinion or report issued by the Auditor by 30 September 2014 and to inform Committee of the benefits of closing down the accounts by these deadlines, in particular the good governance aspects.

The principal matters covered in the Accounts and Audit Regulations were highlighted, this included important procedural requirements as well as governance issues. The Head of Financial Services highlighted the principal matters covered by the Regulations relevant to accounts preparation and the various responsibilities. He highlighted the issues facing Ribble Valley which included budget pressures, some practical issues, resource implications and a

timetable that must be strictly adhered to in order to achieve the deadlines required.

RESOLVED: That Committee endorse the suggested approach for the closure of the 2013/14 accounts.

707 INTERNAL AUDIT ANNUAL PLAN 2014/15

The Director of Resources submitted a report informing Committee of the internal audit plan for 2014/15. This included the various audit areas and the planned number of working days for each of these areas. A brief explanation was given as to how the audit plan is arrived at following consultation with Directors, Heads of Service and our external auditors. It was also highlighted that with regard to risk management the Internal Audit team would continue to have a monitoring role.

Members asked various questions with regard to the audit areas covered and the risk assessment approach used to prioritise audit resource allocation.

RESOLVED: That Committee approve the 2014/15 Internal Audit Plan as outlined.

708 CERTIFICATION REPORT 2013/14

Andrew Cook presented a report on the certification of claims and returns. He reported that two claims and returns for the financial year 2012/13 relating to expenditure of £22.9m had been certified. This was with reference to housing and council tax benefits and the national non-domestic rates returns. He reported that these claims and returns had been certified without any amendments.

The Director of Resources also reported that a rebate cheque had been received from the Audit Commission in respect of fees in a sum of £7,212 for 2012/13. She also felt it may be of use to the Committee to explain at a future meeting how a housing benefit subsidy is audited.

RESOLVED: That the report be noted.

709 AUDIT PROGRESS REPORT AND EMERGING ISSUES

Andrew Cook presented a progress report to Committee which also highlighted emerging issues. The progress report outlined where, as external auditors, they were up to with regard to the interim accounts audit, the audit plan, the final accounts audit, the value for money conclusion, the annual audit letter and the certification of claims and returns for 2013/14. He reminded Committee that the Audit Plan would be presented to them at their meeting at the end of June.

Included in the emerging accounting issues highlighted in the report were issues regarding business rate appeals and property, plant and equipment in-year revaluations. He also highlighted that as part of each section to be considered there were prompt/challenge questions that Members may want to consider.

It was requested that the calculation of the business rates appeals provision be circulated for information to a future meeting.

RESOLVED: That the report be noted.

710 FINANCIAL RESILIENCE BENCHMARKING

Andrew Cook presented a report on 'benchmarking your arrangements for securing the financial resilience'. The main conclusion in this report was that Ribble Valley Borough Council has arrangements that meet or exceed adequate standards in all the thematic areas of financial resilience reviewed in 2012/13. The report went on to give detailed results of several benchmarking exercises including all Councils, Lancashire Councils and District Councils. Ribble Valley Borough Council had good ratings in all these areas. It was suggested that a press release be issued regarding this positive exercise.

RESOLVED: That the report be noted.

711 FRAUD BRIEFING

Karen Murray gave Committee a brief overview of the "Protecting the Public Purse Fraud Briefing 2013" which gave Committee some information on the types of fraud and the detection of it over various areas and how Ribble Valley Borough Council fared. It was apparent that there was some differences in the definition of fraud between various Councils.

RESOLVED: That the report be noted.

712 INTERNAL AUDIT PROGRESS REPORT 2013/14

The Director of Resources submitted a report outlining progress on the internal audit work for 2013/14. A table setting out the assurance opinions issued from the audits carried out since the last meeting was included for Members' information. The majority of these areas had received either a full or substantial assurance opinion excepting one for the Platform Gallery and Visitor Information Centre which had been given a minimal rating.

RESOLVED: That the report be noted.

713 EXCLUSION OF PRESS AND PUBLIC

That by virtue of the next items of business being exempt information under Category 3 of Schedule 12A of the Local Government Act 1972 the press and public be now excluded from the meeting.

714 INTERNAL AUDIT PROGRESS REPORT 2013/14

The Principal Auditor informed Committee of the background history with regard to the internal audits that had been carried out at the Platform Gallery and Visitor

Information Centre over recent years. He informed Committee that the findings arising from the latest audit were extremely disappointing given that previous audits had also reported the same concerns. The Internal Audit Action Plan following this audit was circulated for Committee's information and the Principal Auditor gave Committee an update on the very latest position. Reassurances were given to Committee that this issue was being taken very seriously and the Action Plan had been agreed by all tiers of management of this facility. Committee expressed their concerns regarding several issues and were very disappointed that recommendations made in previous audits were not being followed.

RESOLVED: That Committee

1. expressed their concern with regard to the lack of adherence to financial controls but recognise and welcome the moves made with the Action Plan; and
2. the matter be referred to Community Committee who are also asked to review the operation of the Platform Gallery and Visitor Information Centre.

715 RISK MANAGEMENT – UPDATE ON RED RISKS

The Director of Resources submitted a report providing Members with an update on the current areas of high risk for the Council as identified on the risk register. At the present time there were 4 red risks included on the register:

- Kerbside recycling and waste paper collection services.
- Planning appeals.
- Core Strategy (2 red risks).

A summary of costs relating to planning appeals/consultant costs and the Core Strategy were circulated for Members' information. These would also be included on the next meeting of the Planning and Development Committee.

RESOLVED: That the report be noted.

The meeting closed at 8.28pm.

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