

## MINUTES OF AUDIT COMMITTEE HELD ON

18 November 2009

7.30pm-10.05pm

### PRESENT

#### COUNCILLORS

David Carter (Chairman)

Simon Carter  
Joshua Jolles

Manny Doku  
Muriel Jolles

Tony Hall  
Mark Wilkinson

#### APOLOGIES

Tony Durcan

Lorna Spenceley

#### SUBSTITUTIONS

Jean Clark substitute for Tony Durcan

#### ALSO PRESENT

Linda Pailing

#### 47. DECLARATIONS OF INTEREST

None.

#### 48. MINUTES

**RESOLVED** that the minutes of the meeting held on 22 September 2009 be agreed as a correct record and signed by the Chairman.

#### 49. MATTERS ARISING

- (a) Fixed Assets Register  
(Minute 33(a) Refers)

Following the meeting between the Assistant Chief Executive and Councillors David Carter and Simon Carter, Members received an update on the current position.

Provision of new software was being considered, for which a bid would need to be made from the 2010/11 budget.

**RESOLVED** that the report be noted.

50. **WRITTEN QUESTIONS AND PETITIONS**

None.

51. **NON-CONTENTIOUS BUSINESS**

**RESOLVED** that the Committee Forward Work Plan be taken as non-contentious business.

52. **COMMITTEE FORWARD WORK PLAN**

**RESOLVED** that the Committee Forward Work Plan be noted.

53. **USE OF RESOURCES ASSESSMENT**

The Committee received the Audit Commission's report which summarised their key findings from the Use of Resources Assessment into the way the Council manages and uses its resources.

The Council had scored a 2 for each of the three themes (managing its finances, governing business and managing resources).

Whilst acknowledging that the Council had good processes for strategic financial and corporate planning, further improvement was required in areas such as demonstrating measured outcomes and engagement with stakeholders and the public.

Members noted the proposed improvement plan to address the issues raised by the Audit Commission.

**RESOLVED** that the Use of Resources assessment for the 2008/09 financial year and draft Improvement Plan be noted.

54. **AUDIT COMMISSION FEES**

The Audit Commission presented a report which detailed their approach to setting their work programme; scale of fees for local government audits; and how Harlow's fees compared to those fee scales.

It identified risks at Harlow; how these had been considered in determining the overall fee; and listed specific actions which the Council could take to

minimise its risks and thereby reduce its fees. Members noted the reasons for the additional fees (in addition to the scale fees), which had been charged to reflect local risks.

It was noted that measures to minimise the identified risks had already been introduced. For example, tracker reports on internal audit report recommendations would be submitted quarterly to this Committee.

**RESOLVED** that the report be noted.

55. **PLAYHOUSE BUDGET**

The Committee received a report on the Playhouse budget, which was a standing item on the agenda.

**RESOLVED** that the report be noted.

56. **QUARTER 2 PERFORMANCE REPORT 2009/10**

The Committee received a report which provided an analysis of how the Council performed against national and local performance indicators for the second quarter of 2009/10. Out of the 84 performance indicators, the report included action plans for the 7 indicators which fell short of their target by 5%.

Members raised concerns about how the Committee could address failing performance indicators where Improvement Action Plans had not significantly improved performance. In particular, it was noted that JVC 308 (Housing Voids), although improved since the first quarter report, was still failing to meet its target. (Further to this, it was noted that an Internal Audit report on the Joint Venture Company Partnership would be submitted to a future meeting).

It was agreed that it would be beneficial to the process if relevant Heads of Service were invited to this Committee to discuss improvement plans when indicators fell short of their target.

**RESOLVED** that

- (a) the quarter two performance, as indicated in point 4 of the report and detailed in appendices A and B, be noted;
- (b) the Improvement Action Plans, in relation to the performance exception report shown in Appendix C, be noted;

- (c) relevant Heads of Service be invited to attend this Committee, when improvement plans were submitted.

57. **CORPORATE PURCHASING CARDS**

The Committee received a report on the review of purchasing cards, which referred to separate reviews by individual Heads of Service, the Acting Head of Finance and Internal Audit Section.

**RESOLVED** that the contents of the report be noted.

58. **RISK MANAGEMENT (STRATEGIC RISKS)**

The Committee received a report on risk management, which highlighted the strategic risks the Council faced together with action being taken to mitigate these risks.

**RESOLVED** that the Strategic Risks and action being taken be noted.

59. **RISK MANAGEMENT (RISK STRATEGY)**

The Committee received a report on the proposed Risk Management Strategy.

**RESOLVED** that the Risk Management Strategy be noted and referred to the Policy & Resources Committee for approval.

60. **CONSTITUTION WORKING GROUP REPORT**

The Committee received a report on the Working Group's proposed amendments to the constitution.

**RESOLVED** that

- (a) the report be noted;
- (b) it be **RECOMMENDED TO COUNCIL** that the amendments to the Constitution, at paragraphs 1(i) and 2(a) and (b) of the report, be agreed.

61. **REFERENCES FROM OTHER COMMITTEES**

None.

62. **EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED** that the press and public be excluded from the meeting during consideration of the following agenda item on the grounds that it involves the likely disclosure of exempt information as specified under Paragraph 3 of Part One of Schedule 12A of the Local Government Act 1972.

63. **EMBARGOED COMPREHENSIVE AREA ASSESSMENT (CAA) 2009 RESULTS - ORGANISATIONAL ASSESSMENT**

The Committee received a report on the embargoed organisational assessment results for the Council, which formed part of the Comprehensive Area Assessment.

It was noted that these results would not be made public until 10 December 2009.

**RESOLVED** that the report and areas for improvement be noted.

CHAIRMAN OF THE COMMITTEE