

SCRUTINY COMMITTEE FOR AUDIT AND BEST VALUE

MINUTES of a meeting of the Scrutiny Committee for Audit and Best Value held at County Hall, Lewes on 2 September 2008.

- PRESENT - Councillor Bennett (Vice-Chairman in the Chair)
Councillors Belsey, Birch, Ensor, Lambert and Whetstone
- OFFICERS - Cheryl Miller, Chief Executive, for items 5 and 6 (see minutes 16 and 17)
Sean Nolan, Deputy Chief Executive and Director of Corporate Resources, for items 5 and 6 (see minutes 16 and 17)
Andrew Ogden, Director of Law and Personnel
Duncan Savage, Assistant Director Audit and Performance
Phil Packham, Assistant Director, Resources for items 5 and 6 (see minutes 16 and 17)
Russell Banks, Principal Audit Manager
Ola Owolabi, Head of Corporate Finance, for item 6 (see minute 17)
Tracy Unstead, Claims and Risk Management Administrator, for item 6 (see minute 17)

ALSO PRESENT - Richard Bint and Stuart Frith, External Auditors PKF, for item 6 (see minute 18)

13. MINUTES

13.1 RESOLVED – to approve as a correct record the minutes of the meeting of the Committee held on 8 July 2009.

14. APOLOGIES

14.1 Apologies for absence were received from Councillors Sparks and Gadd. Councillor Belsey was substituting for Councillor Gadd. Apologies were also received from Councillor Jones, Leader of the Council, Councillor Reid, Deputy Leader of the Council and Councillor Maynard, Lead Member for Economic Development Projects.

15. REPORTS

15.1 Copies of the reports on the matters dealt with in the minutes below are contained in the minute book.

16. RECONCILING POLICY AND RESOURCES

16.1 The Committee considered a report by the Director of Law and Personnel setting out the detailed planning for 2010/2011 and beyond as outlined in the State of the County report. The Committee's views were sought on the policy steers for the services under its purview and their contribution to the objectives of the Council, particularly in light of work carried out during the last year.

16.2 The Chief Executive and the Deputy Chief Executive and Director of Corporate Resources reported on the national and local policy and financial context against which this year's Reconciling Policy and Resources exercise would need to be conducted. The Recession, and its impact on residents, businesses and the County Council itself, would be a major consideration. Whilst there was some relative certainty about the 2010/11 grant allocations, the current Comprehensive Spending Review would come to an end after 2010/11. There was, therefore, a need to plan on a "1+3" basis, the +3 years being 2011/12 to 2013/14. It would be important not to waste year 1 in planning the following three years. Given the prognosis for the national public finances, it would be prudent for the Council to plan for a 10% cash reduction in support costs over the 3 years 2011/12 – 2013/14 to match assumed reduction in grant over the same period.

16.3 RESOLVED – to (1) inform the Cabinet that the Committee (a) notes the three newly added political priorities; and (b) endorses the policy steers and their contributions to the objectives of the whole Council especially in the light of work carried out during the last year; and

(2) establish a cross-party Scrutiny Board empowered to act on behalf of the Committee to provide input into the RPR process this year and, in particular, to consider the proposed portfolio plan, the membership of the Board to comprise Councillors Birch, Ensor and Councillor Lambert and/or Sparks.

17. REVIEW OF ANNUAL GOVERNANCE REPORT AND STATEMENT OF ACCOUNTS

17.1 The Committee considered a report by the Deputy Chief Executive and Director of Corporate Resources which (a) presented the Annual Governance Report and Statement of Accounts for 2008/09; and (b) sought the Committee's views on any issues of concern to be brought to the attention of the Governance Committee. The Chairman welcomed Mr Bint and Mr Frith from the External Auditors, PKF, to the meeting.

17.2 Members noted that the Auditors would be issuing an unqualified opinion on the 2008/09 Statement of Accounts to the Governance Committee at its meeting on 4 September 2009.

17.3 Mr Bint and officers responded to Members' questions and it was agreed that there were no specific issues of concern that the Committee considered needed to be drawn to the attention of the Governance Committee.

17.4 RESOLVED – to (1) note the report and its appendices; and

(2) agree that there are no issues of concern arising from the Independent Auditor's Report that need to be brought to the attention of the Governance Committee.

18. INTERNAL AUDIT PROGRESS REPORT – QUARTER 1 (1 APRIL 2009 – 30 JUNE 2009)

18.1 The Committee considered a report by the Deputy Chief Executive and Director of Corporate Resources summarising the key audit findings, progress on delivery of the audit plan and performance of the Internal Audit Service during Quarter 1.

18.2 Officers reported on, and responded to, questions about the key audit findings set out in Appendix A to the report. Members noted the nine partial assurance opinions reported. With regard to the Introduction to Employment Review, Members requested assurance that agreed action had been taken by all departments. The Assistant Director, Audit and

Performance, confirmed that a follow up review was planned for early 2010/11 and would be reported to this Committee in due course.

18.3 RESOLVED – to (1) receive the report; and

(2) endorse the actions being taken to address the issues raised in the key audit findings.

19. RISK MANAGEMENT ANNUAL REPORT

19.1 The Committee considered a report by the Deputy Chief Executive and Director of Corporate Resources updating Members on the developments in Risk Management in the past 12 months and proposed actions for the next 12 months.

19.2 Members were advised that the updated Strategic Risk Log would be brought to the next meeting of the Committee in November.

19.3 RESOLVED – to note (1) the developments in risk management over the past 12 months; and

(2) request the Deputy Chief Executive and Director of Corporate Resources to include in the covering report to the Strategic Risk Log to future meetings, the progress being made on areas highlighted in the Risk Management Annual Report.

20. FUTURE SCRUTINY WORK PROGRAMME

20.1 The Committee considered a report by Director of Law and Personnel setting out the Scrutiny Committee's work programme for the forthcoming year.

20.2 Members were reminded that, at their last meeting it had been agreed that The Place Survey should be included in the programme to enable the Committee to consider its findings in due course. There had been a delay in receiving the detailed local data, but as soon as it was received The Place Survey would be included in the work programme.

20.2 RESOLVED – to note the Scrutiny Committee's programme of work.

21. FORWARD PLAN

21.1 The Committee considered the Forward Plan for the period 8 September 2009 to 31 December 2009.

21.2 RESOLVED – to note the Forward Plan.