

Minutes of Accounts & Audit Committee

Meeting Date: Wednesday, 30 March 2011 starting at 6.30pm
Present: Councillor J Hill (Chairman)

Councillors:

D Eccleston	N Walsh
R Sherras	A Yearling
M Thomas	

In attendance: Chief Executive, Director of Resources, Head of Finance and Clive Portman (Audit Commission).

800 APOLOGIES

Apologies for absence from the meeting were submitted on behalf of Councillor A Knox and Georgia Jones (Audit Commission).

801 MINUTES

The minutes of the meeting held on 24 November 2010 were approved as a correct record and signed by the Chairman.

802 DECLARATIONS OF INTEREST

There were no declarations of interest at the meeting.

803 PUBLIC PARTICIPATION

There was no public participation.

804 REFERENCES FROM OVERVIEW AND SCRUTINY COMMITTEE

There were no references from Overview and Scrutiny Committee.

805 CLOSURE OF ACCOUNTS TIMETABLE 2010/2011

The Head of Finance submitted a report reminding Committee of the statutory requirement to close down the accounts by 30 June 2011 and publish them by 30 September 2011 and to inform Committee of the benefits of closing down the accounts by these deadlines, in particular the good governance aspects. He highlighted the principle matters covered by the Accounts and Audit Regulations 2003 and 2006 (Amendment) along with the regulations that stipulate the various responsibilities for the closure of accounts. This included important procedural requirements as well as governance issues. Issues facing Ribble Valley included budget pressures, some practical issues, resource implications and a timetable that must be strictly adhered to in order to achieve the deadlines required. The Head of Finance also reported that there were further possible implications for the Council from the revision and consolidation of the Accounts and Audit

Regulations 2003, in that it was no longer a requirement for the Committee to approve the draft financial statements at their meeting in June each year. However, this would still be done for the 2010/2011 statements. Following the Audit Commission's experience of the previous year's audit, the Head of Finance informed Committee that they now looked to sign off the financial statements earlier than previous years. As a result, it had been agreed that Committee would approve the statements on 24 August 2011.

RESOLVED: That Committee endorse the suggested approach for the closure of the 2010/2011 accounts.

806 INTERNAL AUDIT PLAN 2011/2012

The Director of Resources submitted a report informing Committee of the internal audit plan for 2011/2012. This included the various audit areas and the plans number of working days for each of these areas. She also highlighted that with regard to risk management, the internal audit team would continue to have a monitoring role during 2011/2012.

RESOLVED: That Committee approve the 2011/2012 internal audit plan.

807 EXTERNAL AUDIT FEES

The Director of Resources submitted a report informing Committee of the movement in the level of audit fees payable by this Council in the last current and next financial years. A number of events including change of government had affected the level of audit fees that the Council incurs. Most recently, the abolition of the Comprehensive Area Assessment had resulted in a reduction in some areas of the Council's audit fees. However, it was felt that a greater reduction in the level of fees should have been seen due to the inspection regimes that had now been abolished.

A letter had been sent from this Council on behalf of the Lancashire District Leaders Group to the Secretary of State for Communities and Local Government following a strong consensus of opinion on the high level of audit fees.

The Director of Resources circulated a consultation document that had only been received that afternoon for the Members of this Committee to look at and respond to in order for her to submit a report to Policy and Finance Committee at its June meeting.

She informed Committee that this Council would continue to seek a significant reduction in its audit fees for 2011/2012 and future years.

RESOLVED: That the report be noted.

808 INTERNAL AUDIT PROGRESS REPORT 2010/2011

The Director of Resources submitted a report outlining progress on the internal audit work to date for 2010/2011. A table setting out the assurance opinions

issued from the audits carried out was included for Members' information, along with the returned customer feedback questionnaires following the audit work carried out.

RESOLVED: That the report be noted.

809 AUDIT PLAN

Clive Portman (Audit Commission) introduced the audit plan for 2010/2011. He highlighted the areas covered by the plan which included the responsibilities of the Audit Commission, the fee for the audit, the report on financial statements, identification of specific tasks, the testing strategy, value for money conclusion, key milestones and deadlines and who the audit team consisted of. He also reminded Committee that agreement had been made for the audit of the statement of accounts to be completed early, which would allow this Committee to approve the financial statements by 24 August 2011.

RESOLVED: That the report be noted.

810 REVISION AND CONSOLIDATION OF THE ACCOUNTS AND AUDIT REGULATIONS 2003

The Director of Resources submitted a report providing Committee with details of changes proposed to the Accounts and Audit Regulations 2003 and to highlight the impact that the proposed changes would have on this Council. The Head of Finance confirmed that as of 31 March 2011, this would now be in force. He informed Committee that the revision and consolidation of the regulations would have minimal impact on this Council other than some procedural considerations which were needed with regard to the review and approval of the draft statement of accounts.

RESOLVED: That the report be noted.

811 PUBLICATION OF TRANSPARENCY INFORMATION

The Director of Resources submitted a report for Committee's information of the information that had been published on senior salaries and spend over £500 advising them of the expected future requirements under the transparency agenda as outlined DCLGs proposed statutory code of recommended practice. The Head of Finance reminded Committee that the Council had published details of spend over £500 on its website for the whole of 2010/2011 financial year up to February 2011. There had been no queries received with regard to the information published. However, some concerns had been raised by officers with regard to the publication of salaries. The Head of Finance reported that there was some changes to the definition of senior salaries in the statutory code which would mean that future publications would only encompass the Chief Executive and Directors, as all Heads of Service at the Council would fall below the threshold given.

RESOLVED: That the report be noted.

CERTIFICATION OF CLAIMS AND RETURNS – ANNUAL REPORT

A report was submitted by the Audit Commission outlining the certification of claims and returns. Clive Portman informed Committee that there had only been two claims made with regard to Housing and Council Tax benefit and National Non Domestic Rates, which had resulted in minor amendments.

RESOLVED: That the report be noted.

The Chairman expressed his thanks to the Audit Commission, all staff involved in the Accounts and Audit Committee and to the Members of the Accounts and Audit Committee.

The meeting closed at 7.33pm.

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