

STANDARDS COMMITTEE

Minutes of: AUDIT SUB-COMMITTEE

Date of Meeting: 2 December 2003

Present: Councillor FA Chaudhry (in the Chair);
Councillors J P Costello, CM Fitzgerald, TD Pickstone, G
Sharkey, J Smith, B Theckston, B Vincent and J F Walton

Public Attendance: There were no members of the public present at the meeting.

Apologies for Absence: Mr J Lodge

SP.896 DECLARATIONS OF INTEREST

There were no declarations of interest recorded with regard to any of the items on the Agenda.

SP.897 MINUTES

Delegated decision:

That the Minutes of the meeting held on 23 September 2003, be approved as a correct record.

SP.898 MANAGING SICKNESS ABSENCE

A report of the Audit Commission was submitted which contained the outcome of a review of managing sickness absence which had focussed upon two key issues:-

- A review of the effectiveness of the new revised corporate arrangements.
- "Probes" into two key operational service areas to test the implementation of the new arrangements and the approach to long term sickness.

The Audit Commission had agreed the following recommendations which are designed to improve the effectiveness of the Council's arrangements and which formed the basis of an Action Plan:-

- Ensure that the corporate policy is operationally deliverable by building in flexibility into the requirements around home visits and completion of the return to work forms.
- Make sure that the policy was effectively turned into practice by:-
 - Clarifying and publishing the responsibilities for managing the training process.

- Manually amending the high level Departmental/Directorate categories to reflect the Council's current structure in reports to Management Team and Scrutiny and Review.
- Introduce validation systems for sickness returns.
- Reviewing the terms of reference of the existing Corporate Working Groups.
- Introduce a corporate focus to long term sickness absence that builds on some of the existing good practice within Departments.

In response to the Audit Commission recommendations, the Director of Personnel submitted a report which indicated that Recommendation 2 was partially complete and Recommendation 3 had been completed. The outstanding recommendations detailed in the Action Plan would be completed by 31 December 2003. Particular reference was made to steps taken within Social Services to develop a version of the corporate policy which would overcome problems of resourcing regular home visits.

It was further reported that stress was a major reason for sickness absence but it was not possible to determine the degree to which this was work related or due to other pressures. However, steps had been taken to provide the means, through Occupational Health, to assist members of staff suffering from stress.

Delegated decisions:

1. That the report and the information included within the Action Plan be noted.
2. That the action taken and in particular the inclusion of quarterly sickness absence progress reports on the Resource Scrutiny Panel's Annual Work Plan be noted.

SP.899 DISTRICT AUDIT FINAL ACCOUNTS MEMORANDUM

The report of the Audit Commission, on the Council's financial statements was submitted following completion of the audit of the Council's accounts.

It was reported that this year there was a new auditing standard, Statement of Auditing Standard (SAS) 610, which required the Audit Commission to report issues arising from the audit to Councillors before the Commission gave its audit opinion on the Council's financial statements, thus involving members directly. SAS 610 provided members with the opportunity to approve the adjustments made to the accounts (already agreed with Officers) and also enabled members to consider unadjusted errors and the need for any further amendments to be made.

Following discussion with the Director of Finance and E-Government, a number of adjustments had been made to the financial statements previously approved by this Sub-Committee on 31 July 2003. These amendments did not affect the overall surplus on the Consolidated Revenue Account nor did they affect the general fund balance carried forward at 31 March 2003.

Delegated decision:

That this matter be considered in conjunction with the next item on the Agenda (900).

SP.900 STATEMENT OF ACCOUNTS 2002/2003

The Director of Finance and E-Government submitted a report which presented to members the final version of the Authority's Statement of Accounts for the financial year ended 31 March 2003.

The accounts had been updated to reflect a number of amendments which had been made to the accounts following the completion of the audit by the Audit Commission.

The Audit Commission had identified a number of amendments that they had recommended the Authority should make to the Accounts and these had been fully discussed with the Director of Finance and E-Government.

Delegated decisions:

1. That the amendments to the Accounts recommended by the Audit Commission be approved.
2. That the final version of the Statement of Accounts for the 2002/2003 financial year be approved in line with the provision of the Accounts and Audit Regulations 1996 (as updated by the 2003 Regulations).
3. That the matters and issues arising from the Audit and contained within the SAS 610 Financial Statement report presented by the Audit Commission be noted.

SP.901 DISTRICT AUDIT PROGRESS REPORT 2002/2003

The Audit Commission presented an Audit Progress Report for 2002/2003 at November 2003.

The report indicated the degree of progress on the various aspects of the audit and commented on the current position.

Delegated decision:

That the report be noted.

SP.902 AUDIT AND INSPECTION 2003/2004

The Audit Commission submitted a report which provided a progress statement for the 2003/2004 Audit and Inspection Programme as at November 2003.

Particular reference was made to the audit of scrutiny arrangements and Members indicated that they would welcome an assessment as to how the scrutiny function was progressing within Bury.

Delegated decision:

That the report be noted.

SP.903 AUDIT OF THE OUTTURN BEST VALUE PERFORMANCE INDICATORS 2002/2003

The Audit Commission submitted a report which provided analysis against the Council's performance on its Best Value Performance Plan.

The findings revealed that there were fewer errors with Outturn indicators but that more needed to be done to ensure the reliability of performance indicators. During the interim review, the Commission identified a number of "problem PI's" which were indicators where there were serious concerns about the information or systems underpinning the calculation of the PI's. Most of the problems identified at the interim review had been resolved in time for the outturn indicators to be agreed and the Commission considered that the Council was clearly committed to improvement; had done much to address problems encountered in previous years; and had agreed an action plan addressing the recommendations made in the interim report.

Delegated decision:

That the report be noted.

SP.904 EMERGENCY PLANNING

Further to Minute SP.524 of the meeting held on 23 September 2003, the Audit Commission produced a report on the Emergency Planning Service together with an Action Plan set against the following recommendations:-

- Consider the need for a routine report to Members on Emergency Planning issues and developments.
- Continue to develop effective cross departmental liaison arrangements.
- Review the current call out arrangements and in particular the reliance placed on the two Emergency Planning Officers.
- Expand training to include members.

Delegated decision:

That the report be noted.

SP.905 FOLLOW UP TO BETTER SERVICES FOR VULNERABLE OLDER PEOPLE – MENTAL HEALTH

The Audit Commission submitted a report which followed a review of Mental Health Services for older people which was designed to assess whether Health and Social Services were working together to:-

- Satisfactorily address their priorities for older people with mental health problems.
- Provide Community Services to enable people to live at home where appropriate.
- Provide joint services.
- Share responsibility for care and collaborate on assessments.

Delegated decision:

That the report be noted and a representative of the Audit Commission be invited to attend the next meeting of the Sub-Committee in order to discuss the report in more detail.

SP.906 EXCLUSION OF PRESS AND PUBLIC

Delegated decision:

That in accordance with Section 100(A) of the Local Government Act 1972 the Press and Public be excluded from the meeting during consideration of the following items of business since they involve the likely disclosure of exempt information in respect of action taken in connection with the prevention and investigation or prosecution of a crime.

SP.907 INTERNAL AUDIT – REVIEW OF KEY CONTROLS

A report of the Chief Internal Auditor was submitted which provided a summary for members showing work carried out by Internal Audit in reviewing the key controls in the Council's systems. This work provided a basis for assurances given in the Internal Audit Annual Report presented to the Sub-Committee in June 2003.

It was asked that members wishing to comment on the report should contact the Chief Internal Auditor.

Delegated decision:

That the report be noted.

SP.908 INTERNAL AUDIT PROGRESS REPORT

A report of the Chief Internal Auditor was submitted which provided an update for members on the work currently being carried out by Internal Audit, and progress against the Annual Plan.

Particular reference was made regarding the following report:-

- Was the Internal Audit Section satisfied that the overpayment of wages which occurred in a Care Home would not be repeated.

- With regard to ICT Security of Stock, and the fact that out of fifteen recommendations made eleven had been accepted, what was the significance of the recommendations not accepted.
- Recruitment of staff in Internal Audit.

Delegated decision:

1. That the report be noted.
2. That progress reports on the matters highlighted above be given at the next meeting of the Sub-Committee.

SP.909 INTERNAL AUDIT REPORTS – MEMBERS’ FEEDBACK

A report of the Chief Internal Auditor was submitted which provided feedback to members by responding to specific queries raised in relation to the Audit report and by providing follow up to earlier reports and queries.

Particular reference was made to the financial review of the Glass Verification Centre.

Delegated decision:

That the report by noted.

FA CHAUDHRY
Chair

(Note: The meeting started at 7:00pm and finished at 8.20 pm)