

**Minutes of the Meeting of the AUDIT, CRIME & DISORDER AND SCRUTINY
COMMITTEE held on 14 April 2016**

PRESENT -

Councillor Clive Smitheram (Chairman); Councillor David Reeve (Vice-Chairman); Councillors Hannah Dalton (as nominated substitute for Councillor Peter O'Donovan), Robert Foote, Humphrey Reynolds and Mike Teasdale (as nominated substitute for Councillor David Wood)

In Attendance: Ade O Oyerinde (Audit Manager) (Grant Thornton UK LLP) and Karen Williams (Risk Advisory Director) (RSM Risk Assurance Services LLP) (Items 38 - 43 only)

Absent: Councillor Steve Bridger, Councillor Kate Chinn, Councillor Alex Clarke, Councillor George Crawford, Councillor Peter O'Donovan and Councillor David Wood

Officers present: Kathryn Beldon (Director of Finance and Resources), Margaret Jones (Scrutiny Officer), Tim Richardson (Democratic Services Officer), Richard Chevalier (Parking Manager) (Items 38 - 42 a) only), Gillian McTaggart (Corporate Risk & Governance Manager) and Joy Stevens (Head of Customer Services and Business Support) (Items 38 - 42 a) only)

38 QUESTION TIME

No questions were asked or had been submitted by members of the public.

39 DECLARATIONS OF INTEREST

No declarations of interest were made by Councillors in items on this agenda.

40 MINUTES OF THE PREVIOUS MEETING

The Minutes of the meeting of the Audit, Crime & Disorder and Scrutiny Committee held on 4 February 2016 were agreed as a true record and signed by the Chairman.

41 ORDER OF BUSINESS AT THE MEETING

The Chairman proposed that the order of business to be considered at the meeting be amended from that detailed in the Agenda, to enable the Internal Auditor's reports to be considered next. The Committee agreed to this amendment.

42 INTERNAL AUDIT MONITORING REPORT

The Committee received a report summarising progress against the Audit Plan for 2015/16.

The following matters were considered:

- a) Audit Assignment: Car Park Income. The Committee noted that the Council's Parking Manager and Head of Customer Services & Business Support were in attendance to answer any queries which Members had regarding this Audit report, and thanked the two Officers for their attendance. The Committee was informed that the Audit of Car Park Income had identified significant positive variances in the sums collected from parking machines, meaning that more money had been collected than was anticipated. The Internal Auditor informed the Committee that the Auditor's concerns regarding this issue related to the lack of ability to accurately reconcile the income from the machines, as this could potentially mask negative or fraudulent variances.

Officers informed the Committee that this issue had occurred due to the parking machines not producing an audit ticket for all of the transactions which had taken place. The Committee was informed that these audit tickets had not been produced either due to the malfunction of the machine, or because they had run out of paper. This was a long-running historic issue which had been undetected until it was identified by the Audit. In response to the issue coming to light, Officers had identified a mechanism by which the content of historic transactions could be retrieved from the parking machines, and had used this to reconcile the variances. As a result, it had been possible to reconcile the income received, so that the largest variance was in fact under £10.

Officers also informed the Committee that processes for future car parking income collection had been amended to record when an Audit ticket had not been produced by a machine. This enabled Officers to retrieve the relevant information from the system straight away, to enable reconciliation. It was noted that a 2-stage reconciliation process was in place, as income was reconciled against the parking machine audit tickets, and then again when banked.

The Committee expressed its thanks for the explanation provided by the Officers. The Committee also expressed that it was reassured by the actions taken to provide an accurate reconciliation of both past and future income from parking machines.

- b) Project Management and Contract Management Advisory Reviews. The Director of Finance and Resources informed the Committee that progress against the actions for the Project Management Advisory Review was proceeding well, and that a draft Project Management Methodology and Toolkit had been produced for use in all projects in future. The Committee was also informed that implementation of actions from the Contract

Management review would be delayed until the Council's current review of its procurement arrangements had been completed. The Committee requested that an update on the actions from these two Advisory Reviews be presented to a future meeting.

- c) Use of Fuel Cards. Following a question from a Committee Member, it was noted that the Council operated a Fuel Card system for its transport fleet. An audit review of this had previously been considered by the Committee, following the identification of fraudulent activity by external parties. The Council maintained stringent controls on its fuel card system.

Following consideration, the Committee:

- (1) Noted the Internal Audit Progress report for 2015/16 and requested that an update on progress against actions within the Project Management and Contract Management Advisory Reviews be presented to its meeting in February 2017.

43 INTERNAL AUDIT STRATEGY 2016-17

The Committee received a report presenting an updated Strategy for Internal Audit for 2016/17.

Following consideration, the Committee:

- (1) Endorsed the Strategy for Internal Audit for 2016/17 as prepared by RSM.

44 EXTERNAL AUDIT - PROGRESS REPORT

The Committee received a report setting out the approach being taken by the Council's external auditors, Grant Thornton, to the audit of accounts for 2015/16.

Following consideration, the Committee:

- (1) Noted the External Audit Plan for the year ended 31 March 2016 as endorsed by the Strategy and Resources Committee on 5 April 2016.

45 PERFORMANCE MANAGEMENT 2015/16: PROGRESS REPORT THREE

The Committee received a report presenting performance management information for 2015/16 and an overview of progress made against the policy committee's actions.

The Director of Finance and Resources informed the Committee that this was the last Performance Management report which would be presented in this format, and that a year-end report would not be presented to the next meeting. New Performance Indicators would be set under the Corporate Plan 2016-2020, and future monitoring would be undertaken against these.

Following consideration, the Committee:

- (1) Received and noted the Performance Management Progress Report Three 2015/16.
- (2) Did not identify any issues requiring further action within the Report.

46 SCRUTINY REVIEW OF THE ARRANGEMENTS FOR PUBLICISING AND DETERMINING PLANNING APPLICATIONS

The Committee received a report of the Scrutiny Review Task Group on the Administrative Arrangements for Publicising and Determining Planning Applications.

The Committee considered the Task Group's report and noted that certain recommendations contained within it would require further approval by either the Planning Committee (such as delegation to officers) or Council (such as amendments to the Constitution).

Following consideration, the Committee:

- (1) Approved the Report of the Scrutiny Review Task Group relating to the Administrative Arrangements for Publicising and Determining Planning Applications, and the recommendations contained therein.

The Committee noted that a progress update on the implementation of the recommendations contained within the Task Group's report would be presented to a future meeting and expressed its thanks to the Scrutiny Officer for her work on the Review.

47 ANNUAL REPORT 2015/16

The Committee received the Annual Report of the Audit, Crime & Disorder and Scrutiny Committee for 2015/16.

The following matter was considered:

- a) Scrutiny call-in procedure. Members of the Committee expressed that a briefing and further information regarding the power to request a scrutiny call-in of a decision of the Council's 'Policy' committees would be of interest. It was noted that a briefing on the procedure for a scrutiny call-in had been provided to the Committee in June 2015, and that a written summary would included within an issue of the weekly 'Members' Briefing' document sent to all Councillors.

Following this consideration, the Committee:

- (1) Approved the Annual Report 2015/16.
- (2) Authorised the Scrutiny Officer in consultation with the Chairman to make any amendments or additions necessary to the Annual Report 2015/16 as a result of the business transacted at this meeting.

48 OUTSTANDING REFERENCES

The Committee noted that there were no outstanding references to Officers, other than those requested at this meeting.

49 VOTE OF THANKS

The Committee passed a vote of thanks to the Chairman, for his diligence and hardwork on its behalf over the past 5 years.

The Chairman thanked Members and Officers for all their work and support during his time as the Chairman.

The meeting began at 7.30 pm and ended at 8.25 pm

COUNCILLOR CLIVE SMITHERAM (CHAIRMAN)