

**STEVENAGE BOROUGH COUNCIL/UTTLESFORD DISTRICT COUNCIL
AUDIT PARTNERSHIP JOINT COMMITTEE MINUTES held at 6.00 pm at
SHIMKENT ROOM DANESHILL HOUSE DANESTRETE STEVENAGE on
5 FEBRUARY 2004**

Present: Stevenage Borough Council: Councillors S K Speller, S Taylor,
K Vale, Uttlesford District Council: Councillors M A Gayler and
R M Lemon.

In Attendance: J B Dickson, S Martin (Uttlesford District Council) and
S Crudgington (Stevenage Borough Council).

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

It was agreed that Councillor S Taylor be appointed as Chair for the meeting.

An apology for absence was submitted on behalf of Councillor S C Jones
(Uttlesford District Council).

There were no declarations of interest.

2 MINUTES - TUESDAY 17 JUNE 2003

Minutes attached

The Minutes of the meeting held on 17 June 2003 were approved as a correct
record and signed by the Chair.

3 PRESENTATION ON THE ROLE OF INTERNAL AUDIT

Simon Martin started the presentation by explaining that there was a statutory
requirement for Local Authorities to have an internal audit section, albeit that
the external audit of Local Authorities was undertaken by the Audit
Commission.

He referred to the historic perceptions of audit and explained that internal
audit was now moving away from its original policing role. There were anti-
fraud teams which often became involved in some of the work internal audit
sections used to do, although a close dialogue with the Audit Partnership was
maintained.

The main element of internal audit work involved carrying out preventative
service level audits and making an active contribution to the corporate
management of each Authority.

Simon then referred to the rolling three or five year work plan that internal
audit sections carried out, and he pointed out that the more risky the service,
the more frequently it was likely to be reviewed.

It was necessary to determine the ^{Page 1}level of audit assurance required within

each Authority, which must then be reconciled with the amount of audit resources available.

In reply to a question from Councillor Taylor, Simon confirmed that, if corporate failures in other Authorities were relevant, the internal audit section would bear this in mind when determining its work plan.

Simon then described how an audit was carried out and he explained how the findings were reported within Stevenage Borough Council (ie to Senior Officers and relevant Heads of Service) and within Uttlesford District Council (which had recently decided that all audit reports and action plans should be available on the Members' Intranet). The annual internal audit report at Stevenage Borough Council was submitted to the Resources and Corporate Management Scrutiny Panel.

Attention was drawn to the benefits of internal audit in as much as it promised assurance about the effectiveness of the system of internal control and gave peace of mind. It also encompassed recommendations for improvement.

There being no further questions from Members, the Chair thanked Simon for his presentation and suggested that a similar presentation be made to a future meeting of Stevenage Borough Council's Resources & Corporate Management Scrutiny Panel.

4

AUDIT PARTNERSHIP MANAGERS REPORT

Report attached

The Audit Partnership Manager submitted a report on the activities of the Partnership since the last Joint Meeting in June 2003.

He drew attention to staffing matters in paragraph 4 and pointed out that the Partnership would be made permanent with effect from 1st April 2004.

Members considered progress with the audit plans and performance indicators. Councillor Gayler asked for comparative data from other Authorities to be available at the next meeting in respect of performance indicators.

With regard to New Initiatives, Members were informed that Deloitte, having submitted the most favourable quotation for providing a temporary resource from the private sector, were currently carrying out several audits at each office. It was unlikely that the Partnership would expand in the short term but, if and when circumstances changed, the matter would then be raised.

RESOLVED that the Audit Partnership Manager's report be noted.

5 **SERVICE PLAN 2004/05**

Report attached
Appendix attached

The Audit Partnership Manager presented the Partnership's Service Plan for 2004/05.

It was then suggested that the wording of the Service objective under paragraph 1.3 should be made more transparent to show that the use of Council resources on this service are for the benefit of the local community.

It was also suggested that a bar chart be used to demonstrate the start/finish dates of the Priorities and Plans referred to under paragraph 3.1 (a).

Scott Crudgington was asked by Councillor Taylor to revisit the feasibility of an audit committee at Stevenage Borough Council.

RESOLVED that the Partnership Service Plan for 2004/05 be endorsed.

6 **DRAFT STRATEGIC AUDIT PLANS 2004/05 - 2008/09**

Report attached
Appendix attached
Appendix attached

The Audit Partnership Manager submitted a report detailing new draft strategic audit plans which ensured annual coverage of key financial areas, bi-annual coverage of medium risk areas and less frequent coverage of low risk areas.

RESOLVED that the new draft strategic audit plans for each Council be accepted.

7 **URGENT PART I BUSINESS**

None.

8 **EXCLUSION OF PRESS AND PUBLIC**

Agreed.

9 **URGENT PART II BUSINESS**

None.

10 **DECISIONS AND SENDING UP**

None.

11 **CHAIR**

The meeting ended at 7.45pm.