

Minutes of the meeting of the **AUDIT SUB-COMMITTEE** held in the Council Chamber, Council Offices, School Aycliffe Lane, Newton Aycliffe, on **WEDNESDAY, 13th OCTOBER 2010** at **6.00 p.m.**

PRESENT **Councillor W. Iveson (Chairman)** and
Councillors P. Ducker, B. Hall and M. Iveson

OFFICERS Mr. A. Bailey (Town Clerk)
Mr. D. Austin (Finance Manager)
Mrs. K. Bertram (Internal Auditor)
Miss C. Ryder (Senior Admin. Officer)

9. **APOLOGIES FOR ABSENCE**

Apologies for absence were submitted on behalf of Councillors Mrs. D. Bowman and R.S. Fleming.

10. **DECLARATIONS OF INTEREST**

There were no declarations of interest made.

11. **MINUTES**

It was proposed by Councillor B. Hall, seconded by Councillor P. Ducker and

RESOLVED – that the minutes of the meeting of the Audit Sub-Committee held on 14th July 2010 be confirmed as a correct record subject to the following:

‘That the apologies of Councillor M. Iveson be added to the minutes.’

12. **INTERNAL AUDITOR’S REPORT**

The Internal Auditor submitted a report setting out details of the work completed for the period 30th June 2010 to the 30th September 2010 including an update on the completion of the Internal Audit Plan for 2010/11.

The 2010/11 Internal Audit Plan has achieved nearly 42 days out of 90 for the first six months and the report set out the current position broken down into Committee and Service areas in an attached Appendix.

(i) **Internal Audit Reports**

The following audit examinations had been completed since the last meeting and each audit report was set out individually for members attention.

(a) **Senior Citizens Excursions**

There were no issues arising from this Audit.

(b) **Works Section**

The report set out information on the purchase ordering system, the documentation of fuel consumption of vehicles together with tool inventories.

There were no matters which posed a risk to the Council.

(c) Aycliffe Show

The audit had reviewed the systems relating to the income and expenditure of the Show and the key controls relating to those areas. The Show proved to be well organised with quotations for services and acts obtained.

Income from the car park and prize monies were also accounted for.

There were no significant issues raised and it was not considered a risk to the Council.

(d) Moore Lane Environment Centre

A review of the systems of internal control had been carried out with regard to ordering and receipt of goods, budgetary control, petty cash and inventories of equipment.

All systems were working satisfactorily, however, there had been a minor issue on the completion of a petty cash voucher which had been corrected there were no issues to report.

(ii) Ongoing Internal Audits

The following Internal Audits are ongoing during the year and the report updated members on the progress of the work undertaken. Interim reports are made on these to each audit sub-committee with a final report being raised by the 31st March 2011.

(a) Oakleaf Sports Complex

The report set out areas which had been examined. On the whole all systems were operating well with the exception of the XN Leisure System. This was still being monitored by both the Finance Department and the Sports Complex. A new version of the system was being installed shortly and this should eliminate the problems.

It was agreed that the Internal Auditor report back on the XN System following the new version being installed.

There were no further issues to report.

(b) Bar and Catering

This audit carried out checks on the catering supplies and bar stock.

There were still concerns over issues regarding the accuracy of the stock takes by the existing Stock Taker. Staff at the complex have been made aware of the problems. This seemed to be an ongoing concern and it was felt that a new Stock Taker should be sought and employed to carry out this work.

The Finance Manager would investigate and report back.

(c) Golf Complex

Checks had been carried out on all aspects of the collection of monies and issue to tickets. Membership had been monitored and there were no issues to report.

(d) Salaries and Wages

Wages and Salaries for the period June to August had been audited with random checks being made.

Procedures regarding new starters and leavers on the payroll have been reviewed and improvements made to ensure that all documents/checks are in place on the appointment of new members of staff. A draft Officers Allowances Policy has been developed and will be submitted to Personnel Sub-Committee for consideration.

It was reported that there were no other issues to report.

RESOLVED – that it be recommended:

- (i) That the report be received.
- (ii) That the Internal Auditor report back to this Sub-Committee on the implementation of the new version of the XN Leisure System.
- (iii) That the Finance Manager seek to employ a new Stock Taker for the Oakleaf Sports Complex Bar.
- (iv) That the Personnel Sub-Committee consider a new policy for officers allowances.

13. **RISK ASSESSMENTS**

The Town Clerk had submitted the report on which members considered any items which had been entered in the Register of Risks on activities and proposals at relevant committees. There had been no risks to list since the last Audit Meeting.

The report also set out the Quarterly Risk Review ended September 2010 and the Town Clerk specifically pointed out Ref. HS5 – Lone Working, which was a matter under review at the moment. Members felt very strongly for the safety of employees and especially on call outs to premises they felt that the Police should be contacted.

The Town Clerk was in the process of reviewing a policy/procedure for Lone Working and this would be a matter for further discussion.

RESOLVED – that the report and information be noted.

14. **ANY OTHER BUSINESS**

The Chairman reported on the recent Audit of the Council's Accounts and the unqualified report which had been received. The Chairman wished to express the Committee's thanks to the Finance Staff of this Council for this achievement.

Also at the Council meeting the Audit Commission representative had given praise to this Authority's accounts as being the best audited accounts he had completed in this area and the Chairman again thanked the staff responsible.

CHAIRMAN.