

Minutes of the meeting of the **AUDIT SUB-COMMITTEE** held in the Council Chamber, Council Offices, School Aycliffe Lane, Newton Aycliffe, on **WEDNESDAY, 15th OCTOBER 2014** at **6.00 p.m.**

PRESENT Councillor A.M. Chandran (Chairman) and
Councillors J.D. Clare, M.A. Dalton, Mrs. M. Dalton, G.C. Gray,
B. Hall, M. Iveson and Mrs. S.J. Iveson.

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

10. **APOLOGIES FOR ABSENCE**

An apology for absence was submitted by Councillor Mrs. W. Hillary.

11. **MEMBERS' DISPENSATIONS**

There were no applications for dispensations submitted.

12. **DECLARATIONS OF INTEREST**

There were no declarations of interest made.

13. **MINUTES**

It was proposed by Councillor J.D. Clare, seconded by Councillor M.A. Dalton and

RESOLVED – that the minutes of the meeting of the Audit Sub-Committee held on the 28th May 2014 be confirmed as a correct record.

14. **INTERNAL AUDITOR'S REPORT**

The Internal Auditor submitted a report to update Members on the work completed by him for the period 1st April to the 30th September 2014.

The Audit Plan set out that 40 days had been achieved out to the 90 days up to the end of September and stated that the Plan was on target to the end of September full details of the days were set out in Appendix 1.

The following internal audit reports had been completed since the last Audit Sub-Committee:-

- (a) Risk Management
- (b) Works Fuel
- (c) Stephenson Way Cemetery
- (d) West Cemetery
- (e) Capital Accounting / Year End Procedures
- (f) Senior Citizens Trips
- (g) Football Pitch Income
- (h) Tendering and procurement
- (i) Ordering and Receipt of Goods – Works
- (j) Treasury Management
- (k) Great Aycliffe Show
- (l) Golf – Special Investigation

A full description of the audit works carried out on each of these sections was set out in the report together the following recommendations of the Internal Auditor:

(a) Risk Management

That should the format of the database on which the Risk Register is stored be changed in the future adequate controls need to be implemented over the change to ensure that there is no duplication or loss of records.

(b) Works Fuel

Fuel sheets need to be reintroduced at the Golf Shop following the loss of records when the previous Professional had left.

(c) Stephenson Way Cemetery

There were no recommendations made.

(d) West Cemetery

There were no recommendations made.

(e) Capital Accounting / Year End Procedures

There were no recommendations made.

(f) Senior Citizens Trips

No matters arose from this year's report.

(g) Football Pitch Income

There were no recommendations made.

(h) Tendering and Procurement

The following recommendations were made:-

(i) That once quotations have been opened they should be date stamped.

(ii) That if the requisite number of quotations are not being requested then an exemption must be obtained to comply with Standing Orders.

(i) Ordering and Receipt of Goods – Works

There were no recommendations made.

(j) Treasury Management

There were no recommendations made.

(k) Great Aycliffe Show

As this was the final Aycliffe Show there were no recommendations to be made.

(l) Golf – Special Investigation

The following recommendations were made:-

- (i) Staff need to receive additional training on the use of the till to help reduce the frequent errors and omissions that take place.
- (ii) There needs to be a more active approach to staff supervision by the Golf Manager again to prevent frequent errors, motivate and manage staff.
- (iii) The FOC keys for the Round Ticket and the Free Basket of balls should be removed from the Golf Complex till.
- (iv) Money needs to be recovered from the professional to cover the losses the Authority has suffered from the free rounds given after the 31st May and the free baskets of balls amounting to £170.
- (v) Golf staff be reminded that any future free use golf vouchers must be passed to Finance on the next banking date.
- (vi) The allocation of free golf rounds be restricted to the Town Clerk which should minimise their production and usage to complaints, Council Donations and Civic Events.
- (vii) The promotional issue of free rounds on renewal of season tickets should cease as any benefits have been outweighed by the administration difficulties. The benefits are also difficult to quantify due to a lack of evidence to back them up.
- (viii) A formalised action plan needs to be drawn up laying down targets that need to be achieved together with specific dates by which they need to be achieved. This needs to be reviewed at the next contract review to ensure that targets set are being achieved.
- (ix) All receipts to be written out by Finance staff when the cash is prepared for banking.

It was noted that the Finance Department had carried out training to the Golf Staff and that all issues within the recommendations had been addressed.

On-going Internal Audits

The following audits have now commenced and will be on-going throughout the year. Interim reports will be made on these sections to each Audit Sub-Committee with a final report being issued by the 31st March 2015.

- (a) Sports Complex
- (b) Bar and Catering
- (c) Golf Complex
- (d) Salaries and Wages

RESOLVED – as follows:-

- (a) That the report be received.
- (b) That the recommendations and comments are noted and that actions have been implemented.

15. **RISK ASSESSMENTS**

The Town Clerk had submitted his report on which members considered any items that had been entered into the Register of Risks on activities and proposals at relevant Committees.

There had been no risk assessments undertaken since the last meeting of the Audit Sub-Committee on the 28th May 2014.

The Performance Management Group had undertaken a full review of the Business Risk Register on the 2nd October 2014 and a copy of the annual review document had been submitted.

RESOLVED – that the report and information be noted.

CHAIRMAN.