

Coventry City Council
Minutes of the Meeting of the Audit and Procurement Committee held at 3.30 pm
on Monday, 16 February 2015

Present:

Members: Councillor D Galliers (Chair)
 Councillor S Bains
 Councillor L Harvard
 Councillor R Sandy
 Councillor T Sawdon

Employees (by Directorate):

 M Chester, Resources
 J Guy, Resources Directorate
 P Jennings, Resources Directorate
 S Mangan, Resources Directorate
 H Peacocke, Resources Directorate
 T Northcote, Resources Directorate

Apologies: Councillor D Welsh

Public Business

48. Declarations of Interest

None

49. Minutes of Previous Meeting

The minutes of the meeting held on 1 December were approved by the meeting and signed as a true record.

50. Matters Arising on the Minutes

- The meeting heard that the Council had invited external organisations to put forward proposals on contract management reviews on a risk and reward basis. Five responses were received but all involved initial outlay costs which were not acceptable. It had been agreed to refer the matter to the Council's transformation programme and review in 12 months' time.
- It was noted that there were still skills assessments outstanding and it was too late to address the matter for this Municipal year. It was agreed to suggest to group leaders that the skills assessment, which would inform training needs for the committee should be mandatory before any new Members serve on the Committee.
- The Council's Audit and Risk Manager reported that his letter to the governors of Stoke Heath Primary School had received an immediate response that the matters raised were in the process of being addressed and addressed. This area will be followed up again in April and the findings will then be included the next available Internal Audit report.

51. **Work Programme 2014/15**

The Committee considered a report of the Executive Director, Resources, and noted the Work Programme for the rest of the Municipal year.

The Committee noted that a Report on the determination of the salary for the new appointment of a Director of Education would be coming to the March meeting as it was likely to involve a salary package of £100,000 or over.

Resolved that the Audit and Procurement Committee approves the Work Programme as presented.

52. **Quarter Three Internal Audit Progress Report 2014-15**

The Committee considered a report of the Executive Director, Resources, on the internal audit activity for the period April to September 2014, against the agreed Internal Audit Plan for 2014-15.

The Committee heard that two members of the Internal Audit Service had left the Council recently and that this would impact on the ability of the Service to deliver the 2014-15 Plan. It had been decided that the impact of this could be managed in the short term through amending the 2014-15 plan as a result of planned audits being postponed / delayed and where days allocated to area in the plan were not reflective of need. The Committee raised concerns around the risk that staff losses in this area would create. The Audit and Risk Manager highlighted that a review of the Service was taking place and the Committee would be consulted on any changes proposed.

The meeting noted summary findings from key audit reports completed between October and December 2014 and agreed as follows:

- Agresso Post Implementation Review: satisfied that this went very well. The Committee agreed that this was a good news story and congratulated all involved.
- Safeguarding Adults: The Committee noted that some of the key issues identified (i.e. upgrade of the CareDirector System and the recording of training) were not directly within the control of the Service.
- CareDirector Income: Whilst the review found that the system was generally working well, improvements are required to ensure financial assessments are always undertaken prior to a service provision commencing.
- Talent link: The system had improved and was more automated but needed to be more robust to cope with the impact of employees leaving the Council.

RESOLVED that the Audit and Procurement Committee approves the Internal Audit Progress Report for Quarter 3, 2014-15 and the actions recommended in relation to the summary findings of the key audit reviews.

53. **Treasury Management Update**

The Committee received an update from the Executive Director, Resources on the Council's Treasury Management activity. The update highlighted a tightening of investment criteria and the reduction in net time invested with some organisations.

Resolved that the Audit and Procurement Committee notes the Treasury Management Update.

54. Quarter Three Revenue and Corporate Capital Monitoring Report 2014-15

The Committee considered a Report of the Executive Director of Resources which advised the Cabinet on the 10th of February of the forecast outturn position for revenue and capital expenditure and the Council's treasury management activity as at the end of December 2014. The headline revenue forecast for 2014/15 was an underspend of £0.6m. This reflected an improved underlying position that enabled funding to be identified for the £2m expenditure commitment for the Customer Service Centre in line with the approach recommended at quarter 2.

The Committee heard that financial reporting was now more up to date thanks to Agresso. It was noted that there had been slippage in capital expenditure as approval from the Coventry Investment Fund had not been taken up and also arising from Friargate delays.

Resolved that the Audit and Procurement Committee note the Quarter Three Revenue and Corporate Capital Monitoring Report 2014-15.

55. Update on risks assessments re IT system back-up, recovery and data centre

The Committee received a report from the Executive Director, Resources, and noted the ongoing response to the Internal Audit review of this area. Whilst improvements in this area have been made, work is still required to ensure that the Council has effective disaster recovery arrangements across its key systems.

A follow up audit to review the revised disaster recovery arrangements will be undertaken in August 2015.

Resolved that the Audit and Procurement Committee note the Update on risks assessments for the Council's IT system back-up, recovery and data centre.

56. Council Tax Discounts / Exemptions

The Committee considered a report from the Executive Director, Resources on Council Tax Discounts and Exemptions. It was noted that in addition to existing processes, an on-going programme of proactive reviews will be undertaken in this area as part of a new approach to responding to the risk of fraud and error in the Council.

Updates on the impact of this approach, including income generated, would be included in routine Internal Audit reports to the Audit and Procurement Committee during 2015-16.

Resolved that The Audit and Procurement Committee notes the update on Council Tax discounts and exemptions.

57. Exclusion of Press and Public

58. **Procurement Monthly Progress Report**

The Committee considered the Procurement Monthly Progress Report from the Executive Director, Resources. It was noted that savings were on target and that the biggest savings were in People and Public Health areas.

It was felt that lessons had been learnt from the monthly progress reports and that further progress could be reviewed on a quarterly basis.

Resolved that the Audit and Procurement Committee note the Procurement Monthly Progress Report.

(Meeting closed at 5.05 pm)

Signed: _____
Chairman

Date: _____