

SCRUTINY COMMITTEE - RESOURCES

20 March 2013

Present:

Councillor Baldwin (Chair)

Councillors Branston, Bull, Crew, Crow, D J Henson, Macdonald, Pearson, Robson and Spackman

Apologies:

Councillors Ruffle, Bowkett and Brock

Also present:

Chief Executive, Strategic Director (MP), Senior Auditor (HP) and Member Services Officer (SJS)

In attendance:

Mr Nigel Timmins - Grant Thornton – Council's External Auditor's

9 **Minutes**

The minutes of the meeting held on 23 January 2013 were taken as read and signed by the Chair as correct.

10 **Declarations of Interest**

No disclosable pecuniary interests were declared.

11 **Audit Progress Report**

Nigel Timmins from the Council's External Auditors, Grant Thornton presented the Audit Progress Report.

Members were updated on the progress as at February 2013 and national emerging issues and developments which may be relevant to the Council.

In response to Members, Mr Timmins advised that the Council would need to consider how the Local Government Finance Act could impact on the Council.

The Strategic Director clarified that work was on-going looking at the function of Audit within the Council and a report on the way forward would be presented to Executive in due course.

The Chair thanked Mr Timmins for his presentation.

Members noted the report.

(Report circulated)

PERFORMANCE MANAGEMENT

12 AIM Property Maintenance Progress report 2012/13

The joint report of the Assistant Director Housing and Contracts, Assistant Director Economy and Assistant Director Finance was submitted.

Scrutiny Committee – Resources noted the third quarter financial position of the £7.9m programme of reactive and planned property maintenance and refurbishment for 2012/13.

(Report circulated)

MATTERS FOR CONSIDERATION BY THE EXECUTIVE

13 Overview of Capital Expenditure 2012/13

Councillor Branston declared an interest as a Trustees of Exeter Canal & Quay Trust.

The Assistant Director Finance presented the report to update Members on the current position in respect of the Council's revised annual capital programme and to advise Members of the anticipated level of deferred expenditure into future years.

Members were advised of the budget of £25,000 for the upgrade of the PARIS system this was required to ensure that the system met regulatory payment industry standards.

The Assistant Director Finance stated that the revised capital programme for the current financial year was £20.101 million and that during the first nine months of the year the Council spent £11.119 million on the programme, which equated to 55.32% of the revised programme.

In response to Members, the Strategic Director clarified that whilst the review of the IT Services was being undertaken only essential works would be undertaken in respect of IT systems.

The Scrutiny Committee – Resources noted the current position in respect of the annual Capital Programme and recommended approval by Council of the annual Capital Programme.

(Report circulated)

14 Overview of General Fund Revenue Budget 2012/13

The Assistant Director Finance presented the report to advise Members of the overall projected financial position of the General Fund Revenue Budget and Housing Revenue Account after nine months, for the 2012/13 financial year.

Members were advised of the main variances within the Scrutiny Committees budgets, the Housing Revenue Account budget, outstanding sundry debt and creditor payments performance.

The Assistant Director Finance clarified that the debt over 30 days old had decreased over the year from £1.875m to £1.805m a reduction of £70,000, whilst there were no concerns regarding the increase in the debt under 29 days this would continue to be

monitored. The surplus in the Council Own Build budget was due to a savings in employee and repair and maintenance costs.

The Scrutiny Committee - Resources supported the report and recommended approval by Council of the:-

- (1) General Fund forecast financial position for the 2012/13 financial year;
- (2) HRA forecast financial position for 2012/13 financial year;
- (3) outstanding Sundry Debt position as at December 2012; and
- (4) creditors' payments performance.

(Report circulated)

MATTERS FOR CONSIDERATION BY SCRUTINY COMMITTEE - RESOURCES

15 Budget Monitoring Report to 31 December 2012

The Assistant Director Finance presented the report advising Members of any material differences by management unit to the revised revenue budget. The current forecast suggested that net expenditure for this committee would increase from the revised budget by a total of £161,250 before transfers to and from reserves.

The Assistant Director stated that the savings in the training budget had been a result of centralising this budget. Members raised the potential merger of Devon and Somerset County Council's Trading Standards functions to save on running costs.

The Scrutiny Committee – Resources noted the report.

(Report circulated)

16 Internal Audit Plan 2013/14

The Senior Auditor (HP) presented the 2013/14 Internal Audit Plan. The fundamental systems were audited on an annual basis using the Council's 'Enhanced Systems Based Auditing control matrices' testing papers, whilst the remaining 'non-fundamental' systems would be audited either biennially for medium risk systems or once during the four-year cycle for low risk systems. The two main risk areas were Housing and Housing Benefits.

The Senior Auditor clarified that should a risk assessment find that there was an increase in risk, then that area of work would be allocated additional days within the Audit Plan.

The Scrutiny Committee – Resources noted the Internal Audit Plan 2013/14.

(Report circulated)

17 Internal Audit Work 2nd Half year 2012/13

The Senior Auditor (HP) presented the report to advise the Committee of the work undertaken by the Internal Audit Unit.

The Senior Auditor advised that all the recommendations in respect of the audit of computers were in relation to the administration of the helpdesk, they were all agreed.

The Scrutiny Committee – Resources noted the Internal Audit Work for the 2nd Half year of 2012/13.

(Report circulated)

The meeting commenced at 5.30 pm and closed at 6.15 pm

Chair