

AUDIT COMMITTEE DECISIONS – 24 SEPTEMBER 2013

AGENDA ITEM NUMBER	SUBJECT AND DECISION	DECISION REFERRAL	PERSON RESPONSIBLE FOR ACTION
3.	<p>Minutes</p> <p>That the Minutes of the meeting of the Audit Committee held on 25 June 2013 be approved and signed by the Chairman as a correct record.</p>		Democratic Services Manager
6.	<p>Statement of Accounts 2012/13</p> <ol style="list-style-type: none"> 1. That the Statement of Accounts 2012/13 be approved, subject to the Corporate Director Resources being delegated authority, in agreement with the Chair of the Committee, unless, if in the Chair's judgment, any changes are so significant that the Committee should be reconvened, to make any further changes arising from additional comments from the Council's External Auditors. 2. That the Chair of the Audit Committee and the Corporate Director of Resources be authorised to sign both the audited Statement of Accounts and the Letter of Representation on behalf of the Council, subject to the deletion of paragraph 5.1 of the previously published Letter of Representation. 3. That further information be provided by the Partnership Director on the figures relating to exit packages, the discrepancies in Adult Social Care outturn figures and digital TV's. 4. That it be recorded that Ernst & Young LLP expressed thanks to the MKSP Finance Team, in particular to A Hodgson and V Armiger. 	Partnership Director	Corporate Director Resources

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6. Cont'd.	<p>Statement of Accounts 2012/13</p> <p>5. That the Committee's thanks be extended to the MKSP Finance Team for their hard work and commitment in working with Ernst & Young LLP.</p> <p>6. That the Committee were concerned the Audit Opinion and Annual Report from Ernst & Young LLP were still in draft status, and had a clear expectation that these should have been ready for the Committee meeting.</p> <p>7. That a referral be made to the Budget Review Group 'To conduct a full review of the increasing level and scale of reserves of the service groups to determine whether they are appropriate'.</p>	Budget Review Group	
7.	<p>Annual Governance Statement 2012/13</p> <p>That the Annual Governance Statement for 2012/13 and accompanying action plan be approved.</p>		Principal Solicitor & Deputy Monitoring Officer
8.	<p>External Audit Items – Ernst & Young LLP</p> <p>That Ernst & Young LLP be requested to provide a clear specification and costs for a training session to be circulated to members of this Committee.</p>		Ernst & Young LLP

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9.	<p>Referral from Council – 10 July 2013: Improving Highways Repairs in Milton Keynes</p> <ol style="list-style-type: none"> 1. That the referral from Council from 10 July 2013 be noted. 2. That the Committee expressed their disappointment with the historic and current issues with highways data that meant Members were unable to carry out an effective value for money study. 3. That the Assistant Director Public Realm Service Group and Cabinet Member for Highways and Transport be requested to attend a future meeting of this Committee and provide an update on: <ol style="list-style-type: none"> (a) The implications of and reasons for the Planer no longer being used; (b) The historic logging of road defects; (c) The data quality issues; and (d) The inability to identify repeat works instances. 4. That the Assistant Director Public Realm Service Group be requested to present a clear action plan to resolve these issues. 5. That a referral be made to Cabinet expressing the ‘strong concerns and expectations of the Audit Committee regarding the quality of highways data, and to ensure the processes and structures are in place to enable the Council to determine value for money in the new contract’, and that findings be reported back to the meeting of this Committee on 14 January 2014. 	Cabinet	<p>Head of Internal Audit</p> <p>Assistant Director Public Realm Service Group & Cabinet Member Highways & Transport</p>

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10.	<p>Progress Update on 2013/14 Annual Governance Statement</p> <ol style="list-style-type: none"> 1. That the Milton Keynes Council Annual Governance Statement Action Plan Progress Report be noted. 2. That the actions reported as key issues for Quarters 1 and 2 be noted. 3. (a) That the closing of actions 1, 8, 9, 14 and 19 of the Action Plan be agreed. (b) That, in respect to action 14, the item be re-opened for 2014/15 with Member Development Group Champions and HR involvement. 4. That, in respect of action 4, the time limit be extended to October 2013. 5. (a) That the action 7 outcome be altered to read, “the Audit Committee to receive satisfactory assurance that the action plan had been completed through an internal audit report to the Committee detailing the actions completed”. (b) That the time limit for action 7 be extended until January 2014 to allow for the completion of the Audit report. 6. That, in respect of action 21, it was agreed that it remain open and that Members receive further updates during the year. 		<p>Principal Solicitor & Assistant Solicitor Governance & Employment</p> <p>Principal Solicitor & Assistant Director HR Strategy</p> <p>Principal Solicitor</p>

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10. Cont'd.	<p>Progress Update on 2013/14 Annual Governance Statement</p> <p>7. That, in respect of action 26, the time limit be extended until March 2014, and Members were reassured by the Chair of the Licensing Committee that Licensing Committee was looking at this.</p> <p>8. That the Partnership Director presents a paper to either the 5 November 2013 or 14 January 2014 Audit Committee meeting on the LLP (MKSP) in relation to actions 1-5.</p>		Partnership Director MKSP
10 (a).	<p>Performance Appraisal</p> <p>1. That the progress made towards achievement of the performance appraisal completion target in the Annual Governance Action Plan 2013/14, be noted.</p> <p>2. That the arrangements for ensuring that internal audit outcomes were linked with performance appraisal, including the actual and proposed responsibilities of Human Resources, Internal Audit and line managers, be noted.</p> <p>3. That the Committee would welcome a review in 3 months time to determine whether the process was working.</p>		<p>Assistant Director (HR Strategy)</p> <p>Assistant Director (HR Strategy)</p>
11.	<p>Local Government Ombudsman's Annual Review 2012/13</p> <p>That the position regarding the Ombudsman's Annual Review 2012/13 be noted.</p>		Principal Solicitor & Deputy Monitoring Officer

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12.	<p>Wolverton Station Overspend</p> <ol style="list-style-type: none"> 1. That the report be noted. 2. That having given consideration to the responses received from the former Project Manager and former Assistant Director (Highways and Transport). It was agreed that there would be no further significant value in commissioning additional work in this area. 3. (a) That Committee Members be circulated a copy of the updated action plan upon completion for CLT in October 2013. (b) That as requested at the Audit Committee on 10 April 2013, Internal Audit be requested to conduct a follow-up audit and to report the outcomes back to this Committee by the 14 January 2014. <p>Other Action</p> <p>That the formal audit procedures be updated to specify that key personnel/opinion holders should be contacted during investigations even if they are no longer employees/Members of the Council.</p>		<p>Head of Internal Audit</p> <p>Head of Internal Audit</p> <p>Head of Internal Audit</p>
13.	<p>Internal Audit Progress Update</p> <ol style="list-style-type: none"> 1. That the report be noted. 2. That the following be circulated to Members of the Committee: <ol style="list-style-type: none"> (a) A briefing note on Troubled Families grant audit; and (b) The recent Car Parks audit report. 3. That Internal Audit look at different ways to interact with the Committee and an item on this topic be included on the agenda for the meeting of the Audit Committee on 5 November 2013. 		<p>Head of Internal Audit</p> <p>Head of Internal Audit</p>