

AUDIT COMMITTEE

Meeting: 10 March 2010
At: 6.00 pm

PRESENT

Councillor Chris Baker (Chair) in the chair; Councillor Suzanne Wyatt (Vice Chair);
Councillors Pam King, Syd Lloyd and Margaret McLay.

Also in attendance

Tim Watkinson, District Auditor, Audit Commission.
Diane Rowland, External Audit Manager, Audit Commission.

1. MINUTES

The Minutes (copies of which had been circulated) of the meeting held on 25 November 2009 were approved as a correct record and signed by the Chair.

2. DECLARATIONS OF INTEREST

No declarations of interest were made.

3. URGENT DECISIONS

No urgent decisions were reported.

4. PUBLIC QUESTION TIME

No public questions were submitted.

5. COUNTDOWN TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

The District Auditor, Audit Commission submitted a report (copies of which had been circulated) highlighting to Members the importance of early preparations for the implementation of the International Financial Reporting Standards in 2010/11.

RESOLVED – That the report be noted.

6. INTERNATIONAL FINANCIAL REPORTING STANDARDS ACTION PLAN

A representative of the Corporate Director, Business Services submitted a report (copies of which had been circulated) providing an update on the action plan for the introduction of the International Financial Reporting Standards.

Concern was expressed that the detailed practitioner guidance from CIPFA was not yet available.

RESOLVED – That the report be noted.

7. INTERNAL AUDIT REPORT – REVIEW OF THE COUNCIL'S STRATEGIC ARRANGEMENTS FOR COUNTERING FRAUD

The Chief Internal Auditor submitted a report (copies of which had been circulated) which reviewed the Internal Audit Report on the Council's Strategic Arrangements for Countering Fraud.

The Committee asked to be made aware of the work of the Fraud and Irregularities Panel.

RESOLVED - (1) That the report be noted.

(2) That a report on the work of the Fraud and Irregularities Panel be submitted to the Committee on an annual basis.

8. ANNUAL GOVERNANCE STATEMENT 2008/09 – PROGRESS UPDATE

A representative of the Corporate Director, Business Services submitted a report (copies of which had been circulated) showing progress on each of the actions identified as significant governance issues within the Annual Governance Statement 2008/09.

RESOLVED - That the report be noted.

9. PROPOSED REVISIONS TO INTERNAL AUDIT PLAN 2009/10

The Chief Internal Auditor submitted a report (copies of which had been circulated) in connection with proposed revisions to the Internal Audit Plan 2009/10 to reflect changes which had occurred during the year.

Members were advised that a mechanism was now being established to ensure that proposed changes to the Audit Plan were reported to the Committee as part of the regular updates.

RESOLVED – (1) That the revisions to the Internal Audit Plan 2009/10 be approved.

(2) That proposed changes to the Internal Audit Plan be agreed in future by the Corporate Director, Business Services, in consultation with the Chair, and reported to this Committee at the earliest available opportunity.

10. SUGGESTED COMPETENCY FRAMEWORK FOR MEMBERS OF THIS COMMITTEE

The Chief Internal Auditor submitted a report (copies of which had been circulated) providing a suggested framework for Members of this Committee to use to develop their knowledge of the competencies required within an effective local authority Audit Committee.

It was felt that Members of the Committee would benefit from 1:1 sessions with the Chief Internal Auditor in order to assess their skills, knowledge and experience against the competencies required of an effective local authority Audit Committee.

RESOLVED – (1) That in order to assess Members' skills, knowledge and experience against the competencies required of an effective local authority Audit Committee, 1:1 sessions be arranged for Members of the Committee with the Chief Internal Auditor, to take place after the local elections.

(2) That a session involving all Members of the Committee be arranged following the 1:1 sessions.

(3) That the outcome of the sessions be reported to the next meeting of the Committee.

11. RISK MANAGEMENT STRATEGY

The Service Director, Finance submitted a report (copies of which had been circulated) presenting to the Committee for comment the reviewed and amended Risk Management Strategy document. The amendments made to the document reflected changes in the roles and responsibilities of Officers, strategic partnership risk, project risk and the categorisation of risks.

The report would be submitted to the Executive Meeting on 15 March 2010 for approval.

It was felt that in managing project risk at the Council, the Project Manager's responsibility for 'managing the delivery of the project's products' should be strengthened.

RESOLVED – That the amendments to the reviewed Risk Management Strategy document be noted.

12. BUSINESS CONTINUITY STRATEGY

The Service Director, Finance submitted a report (copies of which had been circulated) presenting to the Committee for comment the reviewed and amended Business Continuity Strategy document. The strategy had been reviewed by the Corporate Risk Group, the Corporate Business Continuity Group and by those officers with specific roles and responsibilities within the framework.

The report would be submitted to the Executive Meeting on 15 March 2010 for approval.

RESOLVED – That the amendment to the reviewed Business Continuity Strategy document be noted.

13. DRAFT INTERNAL AUDIT PLAN 2010/11

The Chief Internal Auditor submitted a report (copies of which had been circulated) presenting for approval the draft Internal Audit Plan for 2010/11. The plan had been prepared on a risk basis in line with best practice.

RESOLVED – That the draft Internal Audit Plan 2010/11 be approved.

14. ANNUAL AUDIT LETTER

The Annual Audit Letter (copies of which had been circulated) was submitted to the Committee. It summarised the findings from the 2008/09 audit by the Audit Commission and included messages arising from the audit of the Council's financial statements and the results of the work which the Audit Commission had undertaken to assess the Council's arrangements to secure value for money in the use of resources.

RESOLVED – That the Annual Audit Letter be noted.

15. AUDIT AND INSPECTION PROGRESS REPORT

The External Audit Manager, Audit Commission submitted a report (copies of which had been circulated) advising Members of the progress on the 2009/10 audit and 2010/11 inspection of the Council.

RESOLVED – That the report be noted.

16. AUDIT OPINION PLAN 2009/10

The External Audit Manager, Audit Commission submitted a report (copies of which had been circulated) advising Members of the work that the Audit Commission proposed to undertake on the audit of the 2009/10 financial statements.

RESOLVED – That the report be noted.

17. CLAIMS AND RETURNS 2008/09 – ANNUAL REPORT

The External Audit Manager, Audit Commission submitted a report (copies of which had been circulated) advising Members of the matters arising from the certification of the 2008/09 claims and returns. In addition to the main audit, the Audit Commission was required to certify a number of claims and returns for grants or subsidies paid by government departments and public bodies to the Council.

RESOLVED – That the report be noted.

18. WORK PROGRAMME AND SCALE OF FEES 2010/11

The District Auditor, Audit Commission submitted a report (copies of which had been circulated) advising Members of the Audit Commission's 2010/11 work programme and fee scales. This guidance would be used to prepare the Council's 2010/11 audit fee which would be submitted to the next meeting of the Committee.

RESOLVED – That the report be noted.

The meeting closed at 7.10 pm.