

Audit Committee – 10 January 2008

Minutes of the meeting of the **Audit Committee** held on **10 January 2008** when there were present:-

Chairman: Cllr Mrs L A Butcher
Vice-Chairman: Cllr J Thomass

Cllr Mrs J Dillnutt
Cllr K A Gibbs

Cllr Mrs S A Harper
Cllr D G Stansby

APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllrs J P Cottis, T Livings, Mrs J A Mockford and Cllr S P Smith.

SUBSTITUTES

Cllr P F A Webster.

OFFICERS PRESENT

Y Woodward	- Head of Finance, Audit and Performance Management
T Metcalf	- Audit and Process Review Manager
J Kevany	- Principal Auditor
T Harper	- Senior Performance Management Officer
K O'Brien	- Performance Improvement Officer
G Rawlings	- Trainee Auditor
S Worthington	- Committee Administrator

12 MINUTES

The Minutes of the meeting held on 25 September 2007 were approved as a correct record and signed by the Chairman.

13 THE ANNUAL GOVERNANCE STATEMENT

The Committee considered the report of the Head of Finance, Audit and Performance Management drawing Members' attention to the need to change the way assurances are reported through the production of the Statement on Internal Control and the review of the CIPFA/SOLACE Corporate Governance Framework.

In response to a Member enquiry relating to the statutory date for producing the Annual Governance Statement, officers advised that the Authority had been informed retrospectively of the statutory requirement to produce such a statement from 1 April 2007.

Responding to a supplementary question relating to objective 4 detailed in appendix 2 to the report, officers confirmed that one of the key tasks was to seek to determine appropriate sources of assurance, which could, for example, include the External Auditors' Report, the Peer Report and the next

CPA report.

Resolved

That the changes in legislation in relation to the production of an Annual Governance Statement be noted. (HFAPM)

14 PROGRESS REPORT ON REVISED AUDIT PLAN 2007/08

The Committee considered the report of the Head of Finance, Audit and Performance Management advising Members on the progress of the revised Audit Plan for 2007/08.

Officers advised, in response to a Member observation relating to the probability of not achieving the intended target of 97% completion of the Audit Plan, that this was as a result of an extended staff vacancy, which had now been filled. It was further noted, however, that the Authority was on schedule to complete all core audits.

Resolved

That the progress made in the revised Audit Plan for 2007/08 be noted. (HFAPM)

15 DATA QUALITY AWARENESS TRAINING – PROGRESS REPORT

The Committee considered the report of the Head of Finance, Audit and Performance Management providing Members with an update on the progress made with the Data Quality Awareness Training Programme, which was reviewed at the previous meeting of the Audit Committee in September 2007.

Officers confirmed that the data quality awareness training programme had now been completed; in tandem with this, changes had been made to the way in which data was captured within the Authority.

In response to a Member enquiry relating to recent national issues relating to data security, officers advised that there was currently a ban on data going out from the Council, including any data to the Department for Work and Pensions.

Resolved

That completion of the initial Data Quality Training Programme be noted. (HFAPM)

16 UPDATE OF EXTERNAL AUDIT RECOMMENDATIONS

The Committee considered the report of the Head of Finance, Audit and

Performance Management drawing Members' attention to the recommendations of the "Report of the Auditor to Those Charged with Governance, 2006/07".

It was stressed that all but one of the recommendations arising from the Audit had been implemented, and could thus be deleted from the schedule. The outstanding recommendation relating to the accounts could not be completed until June 2008, after the end of the current financial year.

Resolved

That the monitoring sheets for the External Audit recommendations be agreed. (HFAPM)

17 RISK MANAGEMENT FRAMEWORK AND CORPORATE RISK REGISTER

The Committee considered the report of the Head of Finance, Audit and Performance Management summarising progress made under the Council's Risk Management Framework up to October 2007 and providing an update of that framework and of the Corporate Risk Register for 2007/08 for Members' approval.

Members commended the revised Risk Management Framework and Corporate Risk Register; it was a much clearer document than previously.

In response to a Member question relating to the procedure for dealing with any significant new risks arising unexpectedly, officers confirmed that discussions would take place with the Executive Board in such an event, and the Corporate Risk Register could be amended quickly to reflect any such instances.

Responding to a further Member enquiry relating to the quality of controls listed on page 7 of the Corporate Risk register, officers advised that in the case of risk 1, for example, once the Council's revisions to its community strategy were completed 'fair' could be upgraded to a 'good' control.

Members all concurred that there would be merit in the nomination of a Member Risk Champion to assist implementation of the Risk Management Framework. It was recognised that the Framework would need to be amended to reflect this.

On a Motion moved by Cllr Mrs S A Harper and seconded by Cllr K A Gibbs, it was:-

Recommended to the Executive Board

That a Member Champion for Risk be appointed at Annual Council. (HFAPM)

It was further:-

Resolved

- (1) That the revised Risk Management Framework and Policy be approved.
- (2) That the revised Corporate Risk Register be approved.
- (3) That further risk management reports be considered by the Audit Committee twice a year with the next report in June 2008. (HFAPM)

EXCLUSION OF THE PRESS AND PUBLIC

Resolved

That the press and public be excluded from the meeting for the remaining item of business on the grounds that exempt information as disclosed in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 would be disclosed.

18 AUDIT REPORT

The Committee considered the exempt report of the Head of Finance, Audit and Performance Management drawing Members' attention to completed audit investigations and providing an update of audit recommendations.

It was noted that recommendations 8 and 9 of report 6, detailed on pages 14.11 and 14.12 of the exempt report, had been completed and would thus be deleted from the schedule.

Resolved

- (1) That the conclusions and results from the audits in appendix 1 be agreed.
- (2) That the updated information on the audit recommendations, outlined in appendix 2, be agreed. (HFAPM)

The meeting closed at 8.15 pm.

Chairman

Date

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