

Public Document Pack

Audit Committee

Wednesday, 23rd September,
2009

at 6.00 pm

PLEASE NOTE TIME OF MEETING

This meeting is open to the public

Members

Councillor Michael Ball (Chair)
Councillor Beckett
Councillor Sarah Bogle
Councillor Edward Daunt
Councillor David Fuller
Councillor Andrew Wells
Councillor Richard Williams

Contacts

Head of Services:-

Richard Ivory

Assistant Solicitor to the Council

Tel. 023 8083 2794

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PUBLIC INFORMATION

Role of the Audit Committee

The Committee has responsibility for:-

- providing an independent assurance to the Standards and Governance Committee on the adequacy of the risk management framework and the internal control and reporting environment including (but not limited to) the reliability of the financial reporting process and the statement of internal control;
- satisfying and providing assurance to the Standards and Governance Committee that appropriate action is being taken on risk and internal control related issues identified by the internal and external auditors and other review and inspection bodies; and
- specifically, the oversight of, and provision of assurance to the Standards and Governance Committee on, the following functions:-
 - ensuring that Council assets are safeguarded;
 - maintaining proper accounting records;
 - ensuring the independence, objectivity and effectiveness of internal and external audit;
 - the arrangements made for co-operation between internal and external audit and other review bodies;
 - considering the reports of internal and external audit and other review and inspection bodies;
 - the scope and effectiveness of the internal control systems established by management to identify, assess, manage and monitor financial and non-financial risks (including measures to protect against, detect and respond to fraud).

Southampton City Council's Six Priorities

- Providing good value, high quality services
- Getting the City working
- Investing in education and training
- Keeping people safe
- Keeping the City clean and green
- Looking after people

Public Representations

At the discretion of the Chair, members of the public may address the meeting about any report on the agenda for the meeting in which they have a relevant interest.

Smoking policy – the Council operates a no-smoking policy in all civic buildings.

Mobile Telephones – please turn off your mobile telephone whilst in the meeting.

Fire Procedure – in the event of a fire or other emergency a continuous alarm will sound and you will be advised by Council officers what action to take.

Access – access is available for the disabled. Please contact the Democratic Support Officer who will help to make any necessary arrangements.

Dates of Meetings: Municipal Year 2009/10

2009	2010
Weds 24 June	Thurs 18 March
Weds 23 Sept	
Thurs 10 Dec	

CONDUCT OF MEETING

Terms of Reference

The terms of reference of the Audit Committee are contained in Article 8 and Part 3 (Schedule 2) of the Council's Constitution.

Business to be discussed

Only those items listed on the attached agenda may be considered at this meeting.

Rules of Procedure

The meeting is governed by the Council Procedure Rules as set out in Part 4 of the Constitution.

Quorum

The minimum number of appointed Members required to be in attendance to hold the meeting is 3.

Disclosure of Interests

Members are required to disclose, in accordance with the Members' Code of Conduct, **both** the existence **and** nature of any "personal" or "prejudicial" interests they may have in relation to matters for consideration on this Agenda.

Personal Interests

A Member must regard himself or herself as having a personal interest in any matter

- (i) if the matter relates to an interest in the Member's register of interests; or
- (ii) if a decision upon a matter might reasonably be regarded as affecting to a greater extent than other Council Tax payers, ratepayers and inhabitants of the District, the wellbeing or financial position of himself or herself, a relative or a friend or:-
 - (a) any employment or business carried on by such person;
 - (b) any person who employs or has appointed such a person, any firm in which such a person is a partner, or any company of which such a person is a director;
 - (c) any corporate body in which such a person has a beneficial interest in a class of securities exceeding the nominal value of £5,000; or
 - (d) any body listed in Article 14(a) to (e) in which such a person holds a position of general control or management.

A Member must disclose a personal interest.

Continued/.....

Prejudicial Interests

Having identified a personal interest, a Member must consider whether a member of the public with knowledge of the relevant facts would reasonably think that the interest was so significant and particular that it could prejudice that Member's judgement of the public interest. If that is the case, the interest must be regarded as "prejudicial" and the Member must disclose the interest and withdraw from the meeting room during discussion on the item.

It should be noted that a prejudicial interest may apply to part or the whole of an item.

Where there are a series of inter-related financial or resource matters, with a limited resource available, under consideration a prejudicial interest in one matter relating to that resource may lead to a member being excluded from considering the other matters relating to that same limited resource.

There are some limited exceptions.

Note: Members are encouraged to seek advice from the Monitoring Officer or his staff in Democratic Services if they have any problems or concerns in relation to the above.

Principles of Decision Making

All decisions of the Council will be made in accordance with the following principles:-

- proportionality (i.e. the action must be proportionate to the desired outcome);
- due consultation and the taking of professional advice from officers;
- respect for human rights;
- a presumption in favour of openness, accountability and transparency;
- setting out what options have been considered;
- setting out reasons for the decision; and
- clarity of aims and desired outcomes.

In exercising discretion, the decision maker must:

- understand the law that regulates the decision making power and gives effect to it. The decision-maker must direct itself properly in law;
- take into account all relevant matters (those matters which the law requires the authority as a matter of legal obligation to take into account);
- leave out of account irrelevant considerations;
- act for a proper purpose, exercising its powers for the public good;
- not reach a decision which no authority acting reasonably could reach, (also known as the "rationality" or "taking leave of your senses" principle);
- comply with the rule that local government finance is to be conducted on an annual basis. Save to the extent authorised by Parliament, 'live now, pay later' and forward funding are unlawful; and
- act with procedural propriety in accordance with the rules of fairness.

AGENDA

Agendas and papers are now available via Southampton Online at
www.southampton.gov.uk/council/meeting-papers

- 1 **APOLOGIES**
- 2 **CHAIRS ANNUAL REPORT** (Pages 1 - 4)
- 3 **INTERNAL AUDIT 2008/09** (Pages 5 - 10)

Date Not Specified

SOLICITOR TO THE COUNCIL

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Agenda Item 2

ITEM NO: 7

DECISION-MAKER:	AUDIT COMMITTEE STANDARDS AND GOVERNANCE COMMITTEE		
SUBJECT:	CHAIR'S ANNUAL REPORT ON AUDIT COMMITTEE 2008/09		
DATE OF DECISION:	24 JUNE 2009 AUDIT COMMITTEE 25 JUNE STANDARDS AND GOVERNANCE COMMITTEE		
REPORT OF:	CHAIR OF THE AUDIT COMMITTEE 2008/09		
AUTHOR:	Name:	Councillor Michael Ball	Tel: 023 8027 1788
	E-mail:	Councillor.m.ball@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

None

SUMMARY

The annual report for the year 2008/09 from the Chair of the Audit Committee is attached for consideration by the Committee.

RECOMMENDATIONS:

AUDIT COMMITTEE

- (i) That the Audit Committee considers and comments on the Chair's Annual Report attached at Appendix 1.

STANDARDS AND GOVERNANCE COMMITTEE

- (ii) That the Standards and Governance Committee considers and comments on the Audit Committee Chair's Annual Report attached at Appendix 1.

REASONS FOR REPORT RECOMMENDATIONS

1. The Audit Committee forms part of the overall Corporate Governance process. The key role of the Committee is to provide independent assurance to the Standards and Governance Committee on the adequacy of the Council's risk management framework and the internal control and reporting environment. Therefore, presentation of an Annual Report to the Standards and Governance Committee by the 2008/09 Chair is in line with good practice and is also consistent with recommendations made by the Chartered Institute of Public Finance and Accountancy (CIPFA) in its publication 'Toolkit for Local Authority Audit Committees'.

CONSULTATION

2. Consultation has taken place with relevant Council officers, including the Executive Director of Resources, Chief Internal Auditor and Solicitor to the Council.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. None

DETAIL

4. A self assessment against CIPFA's 'Toolkit for Local Authority Audit Committees', which recommends that Audit Committees periodically review their own effectiveness in discharging their responsibilities, was carried out by the former Chair of the Committee, with support from the Executive Director of Resources and the Chief Internal Auditor, in February 2008.
5. One of the actions agreed as a result of this self-assessment was that an Annual Report on the Committee's work should be presented to the Standards and Governance Committee. This is the second Annual Report.

FINANCIAL/RESOURCE IMPLICATIONS

Capital

5. None

Revenue

6. None

Property

7. None

Other

8. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

9. The Accounts and Audit (Amendment) (England) regulations 2006 require the Council 'to maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control.

Other Legal Implications:

10. None

POLICY FRAMEWORK IMPLICATIONS

11. None

SUPPORTING DOCUMENTATION

Appendices

1.	Audit Committee – Annual Report 2008/09
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Documents In Members' Rooms

	None
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Background Documents

Title of Background Paper(s)

Relevant Paragraph of the
Access to Information
Procedure Rules / Schedule
12A allowing document to be
Exempt/Confidential (if
applicable)

	None	
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Background documents available for inspection at: N/A

FORWARD PLAN No: N/A

KEY DECISION?

N/A

WARDS/COMMUNITIES AFFECTED:	None
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Agenda Item 3

ITEM NO:11

DECISION-MAKER:	AUDIT COMMITTEE		
SUBJECT:	REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL AUDIT		
DATE OF DECISION:	24 TH JUNE 2009		
REPORT OF:	CHIEF INTERNAL AUDITOR (Acting)		
AUTHOR:	Name:	Neil Pitman	Tel: 023 80 834616
	E-mail:	Neil.pitman@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

Not applicable

SUMMARY

Under the Accounts and Audit (Amendment) (England) Regulations 2006 the Council is required, at least once a year, to conduct a review of the effectiveness of its system of internal audit. To assist the Audit Committee in discharging this requirement on behalf of the Council, this paper summarises the measures currently in place to monitor internal audit effectiveness.

RECOMMENDATIONS:

- (i) That the Audit Committee reviews the effectiveness of the system of internal audit using the sources of assurance detailed in this report.

REASONS FOR REPORT RECOMMENDATIONS

1. The Accounts and Audit Regulations 2006 state that the Council 'shall, at least once in each year, conduct a review of the effectiveness of its system of internal audit'. This review is part of the wider annual review of the effectiveness of the system of internal control which contributes to the Annual Governance Statement and as such should be referred to the Audit Committee.

CONSULTATION

2. The Audit Committee was consulted in June 2007 to agree how future reviews should be conducted.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. None

DETAIL

4. The Accounts and Audit Regulations 2006 place a requirement on authorities to conduct an annual review of the effectiveness of the system of internal audit. The Chartered Institute of Public Finance and Accountancy (CIPFA) have provided technical guidance suggesting a number of options available to authorities for carrying out the review which include:

- The Head of Internal Audit
- A Sub-group of the Audit Committee
- A review group of officers
- Peer review
- External assessment
- A group of members and officers

Whoever carries out the review, it is vital that all participants are appropriately skilled and have relevant technical support available to them.

5. The CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom 2006 [the Code] recommends that *“The Head of Internal Audit should have in place a performance management and quality assurance framework to demonstrate that the internal audit service is:*
- a) *Meeting its aims and objectives*
 - b) *Compliant with the Code*
 - c) *Meeting internal quality standards*
 - d) *Effective, efficient, continuously improving*
 - e) *Adding value and assisting the organisation in achieving its objectives.”*

6. Meeting aims and objectives

The aims and objectives of the system of internal audit are defined in the Internal Audit Strategy and the Internal Audit, Risk and Assurance Business Plan. The key business plan objectives for 2008/09 were as follows and have been delivered:

- Deliver the Internal Audit Strategy to demonstrably comply with the CIPFA Code of Practice
- Further refine and consolidate the assurance process to support the production of a robust Annual Governance Statement in line with CIPFA guidelines.
- Further develop and embed risk management principles across the Council’s business processes.
- Ensure the adequate resourcing of the service to support the proper delivery of functions.
- Review the effectiveness of corporate arrangements to identify and/or reduce the risk of fraud and corruption,

7. Compliance with the Code

Guidance cites the CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom as proper practice in relation to internal audit in local authorities. The system of internal audit was compliant with the

Code throughout 2008/09. This has been confirmed through the updating in 2008/09 of the triennial review of internal audit by the Council's external auditors (appendix). The triennial review forms a comprehensive review of all aspects of the Code

8. Meeting internal quality standards

Review of compliance against the Code has highlighted that internal audit is compliant with the standards for performance, quality and effectiveness. A comprehensive and up-to-date internal audit manual is in place and available to all staff to provide guidance on quality standards in carrying out day-to-day audit work and compliance with the Code. A system of quality checks is in place to ensure all internal audit work is appropriately supervised and reviewed throughout all audits to monitor progress, assess quality and coach staff. The implementation of the new audit management software solution during the year will enable performance management information to be more readily provided.

9. Effective, efficient, continuously improving

The Audit Commission's *'Use of Resources' assessment 2007/08 and based on the key lines of enquiry for 2008* seen the overall theme score for Internal Control progress from a '2' to a '3'.

10. Adding value and assisting the organisation in achieving its objectives

The Internal Audit Strategy 2007-2011 is designed to demonstrate how the internal audit service seeks to add value to the Council and to assist the Council in achieving its objectives. The Annual Audit Plan for 2008/09 demonstrates intended audit coverage of the Council's objectives. The 2008/09 audit plan was substantially delivered, with any amendments approved by this Committee (please see Chief Internal Auditor's *Annual Report and Opinion*, also on this agenda).

11. The 'Status of work' reports provided to each meeting of the Audit Committee demonstrate how management is responding to the issues and risks highlighted by internal audit's work and on the whole demonstrate that management actions in response to audit observations are properly implemented on a timely basis.

12. Formal client feedback has been sought in respect of specific audit assignments conducted in 2008/09 by means of a "client feedback survey". In addition, feedback was sought from audit clients in March 2008 on the overall performance of the service within the context of the Code (as required under the standards). The results of these feedback mechanisms have demonstrated that management is largely satisfied with internal audit's ability to demonstrate compliance with the standards and the value delivered in assisting the Council in achieving its objectives.

13. Role of the Audit Committee

The Audit Committee plays an essential role in the effectiveness of the system of internal audit. The Audit Committee Chair's formal annual report on the work and performance of the Committee during the year is available elsewhere on this agenda.

FINANCIAL/RESOURCE IMPLICATIONS

Capital

None

Revenue

None

Property

None

Other

None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

Accounts and Audit (Amendment) (England) Regulations 2006 places a requirement on the Council to, at least once a year, conduct a review of the effectiveness of its system of internal audit. The above arrangements are intended to meet those responsibilities.

Other Legal Implications:

POLICY FRAMEWORK IMPLICATIONS

SUPPORTING DOCUMENTATION

Appendices

1.	Summary of Audit Commission Assessment of Internal Audit Against the CIPFA Standards
2.	

Documents In Members' Rooms

1.	
2.	

Background Documents

Title of Background Paper(s)

Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.		
2.		

Background documents available for inspection at:

FORWARD PLAN No:

KEY DECISION?

WARDS/COMMUNITIES AFFECTED:

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SOUTHAMPTON CITY COUNCIL
AUDIT COMMITTEE – ANNUAL REPORT
2008/09



CLLR MICHAEL BALL
(CHAIR)

INTRODUCTION

I have served on the Audit Committee since its inception at the end of 2006. I was elected chair in June 2008. One of the challenges to its successful operation has been the change to the membership following the local elections. Training has been provided to enable members to have an awareness of the committee's role and equip them with the necessary skills. I consider that the committee has a good mix of councillors with a wide range of commercial and political experience, including a number of qualified accountants. The former chair is now the vice-chair.

The role of Chair is to understand the key issues detailed in the reports and set them in context. They should seek to steer the debate to focus upon areas that are critical to the successful operation of council functions. Meetings are held quarterly during the municipal year, with the majority of the reports set out as part of the annual calendar. The core elements focus on monitoring Audit Committee recommendations, approving revised policies and reviewing the status of audit work.

The Audit Committee receives three key annual reports:

- Audit Commission: Annual Audit and Inspection Letter
- Chief Internal Auditor's Annual Report and Opinion
- Annual Governance Statement

During the course of the year the committee has paid particular focus to the key findings made by the internal and external auditors. In so doing it has been able to direct and focus attention on failings in internal controls and make recommendations for improvements and track their implementation, helping to ensure the issues receive the profile they deserve.

Areas flagged up during the year of particular note have been:

- Financial Management in Schools
- Health & Care Charging Policy for Non-Residential Care
- Partnership Agreements
- Project Management

The Council has successfully sought to embed risk management in the organisation. The review of the effectiveness of internal audit highlighted significant steps forward; indeed The Audit Commission has praised, "the raising of the status of internal audit within the organisation". There has been positive engagement with the external auditors. They conducted a review of the Strategic Services Partnership implementation and concluded "good progress has been made in improving the performance of all services delivered through the partnership".

It is evident that further work is required to improve members' systematic engagement, and help ensure that they are adequately skilled to provide effective scrutiny with the ever, increasing complexity of local government. This issue has been the subject of external assessment and a report was presented to the Standards and Governance Committee in April 2009 for consideration. In 2008/09 we saw the move to inquiry-based scrutiny, with all performance monitoring reports and

the forward plan being assessed by the Overview and Scrutiny Management Committee. The impact of these changes has yet to be assessed.

I consider that the Audit Committee has fulfilled its obligations to provide independent assurance to the Standards and Governance Committee on the adequacy of risk management, control and governance within Southampton City Council.

Cllr Michael Ball, Chair of Audit Committee

Purpose of the Report

1. The purpose of this report is to inform the Standards and Governance Committee of the work of the Audit Committee during the 2008/09 Municipal year.

Background

2. The creation of an Audit Committee was approved by the City Council in November 2006, to provide independent assurance to the Standards and Governance committee on matters of corporate governance. The Committee's role reflects guidance from CIPFA regarding best practice in the provision of effective corporate governance arrangements.
3. The compilation of an annual report on the work of the Audit Committee was recommended as a result of the committee's self-assessment against the CIPFA good practice guidance, undertaken in February 2008. This is the second annual report.

Membership

4. The Committee comprises seven Members, reflecting the political proportionality of the Council. The Committee is independent of both the Executive and Scrutiny. The Members for 2008/09 were:
 - Cllr Michael Ball (Chair)
 - Cllr Stephen Barnes-Andrews
 - Cllr David Beckett
 - Cllr Sarah Bogle (Vice-Chair)
 - Cllr Edward Daunt
 - Cllr David Fuller
 - Cllr Andrew Wells
5. The Committee is supported by the Executive Director of Resources and Chief Internal Auditor. Appropriate representatives from the Audit Commission also attended all four meetings held during the year.

Terms of Reference

6. The Committee's role and Terms of Reference, approved by Council, are:
 1. To provide independent assurance to the Standards and Governance Committee on the adequacy of the risk management framework and the internal control and reporting environment, including (but not limited to) the reliability of the financial reporting process and the annual governance statement

2. To be satisfied and provide assurance to the Standards and Governance Committee that appropriate action is being taken on risk and internal control related issues identified by the internal and external auditors and other review and inspection bodies.
3. The Committee shall specifically have responsibility for oversight of and provision of assurance to the Standards and Governance Committee on the following functions:
 - Ensuring that Council assets are safeguarded;
 - Maintaining proper accounting records;
 - Ensuring the independence, objectivity and effectiveness of internal and external audit;
 - The arrangements made for cooperation between internal and external audit and other review bodies;
 - Considering the reports of internal and external audit and other review and inspection bodies;
 - The scope and effectiveness of the internal control systems established by management to identify, assess, manage and monitor financial and non-financial risks (including measures to protect against, detect and respond to fraud).
7. In order to fulfil this remit, there are four significant sources of assurance available for the Committee to draw on:
 - External Audit, provided by the Audit Commission;
 - Internal Audit , provided by the Council's in-house team and led by the Chief Internal Auditor;
 - Annual Controls Assurance statements provided by the Council's Executive Directors; and
 - The Council's strategic and operational risk registers

Work Programme 2008/09

8. The Committee met on four occasions during the municipal year:
 - 25th June 2008
 - 24th September 2008
 - 11th December 2008
 - 19th March 2009
9. A full list of the reports considered during the year is attached at Appendix A. Some of the main issues considered were:

Risk Management

- Ensuring the adequacy of the Council's risk management framework is one of the Committee's key responsibilities. To fulfil this function, the

Committee approved revisions to the Council's Risk Management Strategy and agreed that the Cabinet Member for Resources and Workforce Planning should have joint responsibility, with the Section 151 Officer, for championing risk management throughout the Council. The Committee approved an Action Plan for the delivery of the Strategy and reviewed progress against actions later in the year.

- The Council's Strategic Risk Register was also reviewed in order for the Committee to be assured that the document adequately reflects the key strategic risks facing the Council and to highlight any other significant key risks that needed to be considered

Internal Control

- In accordance with proper internal audit practices, the Chief Internal Auditor is required to provide an opinion on the adequacy and effectiveness of the Council's framework of risk management, internal control and governance. The Committee received the report for 2007/08 at its first meeting of the Municipal year. The Auditor's opinion was that the Council's framework was basically sound; however, some weaknesses were identified in the areas of partnership governance, programme and project management and procurement and contract management arrangements. Where weaknesses were identified, the Auditor has worked with management to agree appropriate corrective actions and a timescale for improvement.
- As part of its remit to provide independent assurance on the effectiveness of internal control procedures, the Committee reviewed and approved the draft Annual Governance Statement (AGS) for 2007/08 at its first meeting of the year and recommended formal approval to the Standards and Governance Committee. Production of the AGS is a mandatory requirement under the Accounts and Audit Regulations and the document is designed to provide an accurate representation of the corporate governance arrangements in place during the year. Progress against the AGS Action Plan, put in place to address areas where improvement was required, was received by the Committee at its December meeting.
- The Committee was briefed on the new CIPFA guidance which outlines good practice for effectively countering fraud. A review of the Council's arrangements was undertaken in the light of this guidance and the Committee approved the revised Anti Fraud and Anti Corruption Policy Statement and Strategy, and the Anti Money Laundering Policy, updated to take account of CIPFA recommendations. The Committee was also informed of the initial results of the latest data matching exercise under the National Fraud Initiative (NFI). The NFI is a data matching exercise run by the Audit Commission which matches electronic data within and between participating bodies to prevent and detect fraud.

Internal Audit

- The Committee considered and approved a range of strategies and plans designed to enable the effective management of the Internal Audit function, including an update to the Internal Audit Strategy 2007-11, the Strategic Internal Audit Plan and the Annual Operational Plan. In addition, the Committee conducted its annual review of the effectiveness of the Internal Audit function and found that the system of internal audit was substantially compliant with the CIPFA Code of Practice throughout 2007/08.
- At its June meeting, the Committee approved a Schools Audit Policy, setting out proposals for a programme of cross-cutting thematic reviews using a risk based approach across a sample of the city's schools. The aim of the review programme will be to complement the FMSiS external assessment and so minimise the overall burden of inspection on schools.
- At each meeting, the Committee also received a detailed update summarising the activities of internal audit for the period since the previous meeting and the actions taken by management to address any control issues identified.

External Audit

- The Committee maintained a positive and constructive relationship with the Audit Commission during the year and received a variety of reports including:
 - The Annual Audit and Inspection Letter, presenting the results of the statutory audit of the Council's 2007/08 financial accounts and confirming the Comprehensive Performance Assessment (CPA) rating of three stars;
 - The Use of Resources Assessment which confirmed that the Council had achieved an overall score of 3, with a score of 3 for each of the five themes, which was an improvement on the 2007 results
 - The Data Quality Audit for 2007/08, which found that the Council's overall management arrangements for ensuring data quality were consistently above minimum requirements
 - The draft Annual Governance report, confirming that the Commission proposed issuing an unqualified opinion on the financial reports and an unqualified conclusion on the use of resources.
 - The annual assessment of Internal Audit which concluded that, since the Commission's initial review in 2005/06 and following revisions to the Code of Practice in 2006, the Council had made significant progress in improving its internal audit arrangements most notably, the raising of the status of internal audit within the organisation, the introduction of an audit manual, the establishment of clear terms of reference and a strategy for delivery of audit services, development of an appropriate staffing

- structure with a high proportion of qualified posts, and a fully risk-based approach to audit ,
 - A report, with detailed Action Plans, recommending the necessary measures to address weaknesses in gas servicing and voids repairs in the Housing Management service
- The Commission also carried out a review of the implementation of the Strategic Services Partnership to comment on progress in the delivery of outcomes and the effectiveness of the contract, including risk management. The Commission concluded that good progress had been made in improving services and procurement practices, and some progress in risk management, although there were still improvements to be made in forwarding the transformation agenda

Finance

- The Committee received the annual Statement of Accounts and recommended to the Standards and Governance Committee that it be approved.

Specialist reports

- In June 2008, management consultants PriceWaterhouseCoopers produced an independent report on how the Council had responded to the problems with its charging policy for non-residential care services. The report highlighted key issues for consideration and recommendations for implementation and included a comprehensive Action Plan.

Conclusion

10. In its second full year of operation, the Audit Committee has consolidated its reputation as an effective independent and objective provider of assurance to the Standards and Governance Committee on all matters of risk and internal control. The Committee, with the professional support of Council officers and partners in the Audit Commission, has looked at a variety of substantial and important issues, making a valuable contribution to maintaining and enhancing the effective corporate governance of the Council.

Appendix A

A full list of the reports received at meetings of the Audit Committee for the Municipal year 2008/09

25th June 2008

- Monitoring Audit Committee Recommendations
- Chair's Annual Report on Audit Committee 2007/08
- Audit Commission: Audit and Inspection Plan Progress Report
- Statement of Accounts 2007/08
- Chief Internal Auditor's Annual Report and Opinion 2007/08
- Review of the Effectiveness of the System of Internal Audit
- Risk Management Strategy and Action Plans
- Annual Governance Statement 2007/08
- Internal Audit: Status of Work to May 2008
- Schools Audit Policy

24th September 2008

- Monitoring Audit Committee Recommendations
- Independent Review: Health and Care Charging Policy for Non-Residential Care Services
- Audit Commission: Audit and Inspection Plan Progress report
- Internal Audit: Review of Internal Audit Strategy 2007-2011
- Anti Fraud and Anti Corruption – Annual Policy and Strategy Review
- Strategic Risk Register 2008/09
- National Fraud Initiative 2008/09
- Internal Audit: Status of Work to August 2008

11^h December 2008

- Monitoring Audit Committee Recommendations
- Risk Management Action Plan 2008/09: Status report
- Annual Governance Statement 2007/08 Action Plan Status Report
- Audit Commission: Audit and Inspection Plan Progress Report
- Internal Audit: Review of the Annual Operation Plan 2008/09
- Internal Audit: Status of Work to November 2008

19th March 2009

- National Fraud Initiative 2008/09
- Annual Governance Statement 2008/09
- Internal Audit: Revised Strategic Plan 2007/08 to 2009/10
- Internal Audit: Status of Work to February 2009
- Anti Money Laundering Policy - Review
- Audit Commission: Annual Audit and Inspection Letter 2007/08
- Audit Commission: Audit and Inspection Plan Progress Report
- Monitoring Audit Committee Recommendations

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