
AUDIT COMMITTEE

MINUTES OF THE MEETING HELD ON 24 JANUARY 2008

Present: Councillor Bogle (Chair)
Councillor Beckett
Councillor Noon
Councillor Odgers
Councillor Sollitt (Vice –Chair)
Councillor Wells

Also in attendance:-

Ms K Handy – District Auditor, Audit Commission
Ms A Blowman – Performance Specialist, Audit Commission
Mr M Bowers – Audit Manager, Audit Commission

22. APOLOGIES AND CHANGES TO IN MEMBERSHIP (IF ANY)

Apologies were received from Councillors Ball and Marsh-Jenks.

23. MINUTES OF THE PREVIOUS MEETING (AND MATTERS ARISING)

RESOLVED that the Minutes of the meeting held on 27 September 2007 be approved and signed as a correct record.

24. MONITORING AUDIT COMMITTEE RECOMMENDATIONS

The Panel considered and noted the report of the Democratic Support and Members Services Manager requesting that the Committee considers the action taken since its last meeting. (Copy of the report circulated with the agenda and appended to the signed minutes).

25. AUDIT COMMISSION: AUDIT AND INSPECTION PLAN PROGRESS REPORT

The Panel considered the report of the Chief Internal Auditor updating the Committee on progress on the audit and inspection work proposed for the 2007/08 financial year in the 2006-2007 Audit and Inspection Plan presented to the Audit Committee on 28 March 2007. (Copy of the report circulated with the agenda and appended to the signed minutes).

RESOLVED

- (i) that the reports be noted; and
- (ii) that Officers be congratulated on the improvements achieved to the Council's risk and internal control planning.

26. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED that in accordance with the Council's Constitution, specifically the Access to Information Procedure Rules contained within the Constitution, the press and public be excluded from the meeting in respect of Minute No. 27. This is based on Categories 2 and 7 of Paragraph 10.4 of the Council's Access to Information Procedure Rules.

The information contained therein is exempt from publication as it relates to an ongoing investigation and is likely to reveal the identity of an individual. Having applied the public interest test it is not appropriate to disclose this information. The interests of any parties involved in this investigation could be jeopardised by the release of the information.

27. INTERNAL AUDIT: STATUS OF WORK DECEMBER 2007

The Panel considered the report of the Chief Internal Auditor requesting that the Committee notes the Internal Audit Status of Work report for the period ending 19 December 2007. (Copy of the report circulated with the agenda and appended to the signed minutes).

RESOLVED

- (i) that the Chief Officers Management Team (COMT) provide assurance to the Audit Committee that actions are being taken to ensure that:-
 - (a) Transformational Projects are appropriately project managed to ensure their successful delivery, with particular focus on the financial and legal measures in place; and
 - (b) an effective framework is operating to ensure that sound governance arrangements are in place for both new and existing partnerships, enabling evaluation of the contribution of those partnerships to Southampton City Council's Strategic Objectives;
- (ii) that, following the Financial Management in Schools Standards (FMSiS) review of Cantell Maths and Computing College, the Chief Internal Auditor be requested to circulate the results to Committee Members; and
- (iii) that the Chief Internal Auditor be requested to report back to the next appropriate Audit Committee on the audit strategy for the City's schools, including a review of reporting frameworks.

28. INTERNAL AUDIT: REVIEW OF THE ANNUAL OPERATIONAL PLAN 2007/08

The Panel considered the report of the Chief Internal Auditor requesting that the Committee approves the Internal Audit Status of Work report for the period ending 19 December 2007. (Copy of the report circulated with the agenda and appended to the signed minutes).

RESOLVED that the revised Annual Operational Internal Audit Plan for 2007/08 be approved.

29. ANNUAL GOVERNANCE STATEMENT AND STATEMENT ON INTERNAL CONTROL 2006/07 ACTION PLAN: STATUS REPORT

The Panel considered the report of the Executive Director of Resources requesting that the Committee notes and approves the various developments resulting from the replacement of the former Statement on Internal Control (SIC) by the Annual Governance Statement (AGS), and also notes the content of the 'SIC 2006-07 Action Plan: Status Report'. (Copy of the report circulated with the agenda and appended to the signed minutes).

RESOLVED

- (i) that the change in requirement from the SIC to the AGS with effect from 2007/08, be noted;
- (ii) that the assurance gathering process with the Controls Assurance Corporate Group being the main focus for this process (Appendix 1 to the report), be approved;
- (iii) that the Audit Committee's role in the AGS process be noted and the change to the terms of reference for the Audit Committee to remove reference to the 'SIC' and replace with the 'AGS' (Appendix 2 to the report), be approved;
- (iv) that the revised Terms of Reference for the Controls Assurance Management Group' (Appendix 3 to the report), be approved; and
- (v) that the content of the 'SIC 2006-07 Action Plan: Status Report' (Appendix 4 to the report), be noted.

30. RISK MANAGEMENT ACTION PLAN 2007/08: STATUS REPORT

The Panel considered and noted the report of the Executive Director of Resources requesting that the Committee notes the Risk Management Action Plan 2007-08: Status Report. (Copy of the report circulated with the agenda and appended to the signed minutes).

31. CORPORATE REPORT TEMPLATE – REPORTING RISK

The Panel considered the report of the Executive Director of Resources requesting that the Committee considers the options for making a more explicit reference to risk within committee reports. (Copy of the report circulated with the agenda and appended to the signed minutes).

RESOLVED

- (i) that Option 1 be adopted as the preferred approach to making a more explicit reference to risk within committee reports; and
- (ii) that, where a project naturally qualifies for a Risk Register, this be attached as an appendix to the decision-making report.

32. TRIENNEAL REVIEW OF SELF INSURANCE FUND

The Panel considered and noted the report of the Executive Director of Resources requesting that the Committee notes the summary report of findings relating to the adequacy of Southampton City Council's self insurance fund. (Copy of the report circulated with the agenda and appended to the signed minutes).