

AUDIT COMMITTEE

MINUTES OF THE MEETING HELD ON 24TH JUNE 2009

Present

Councillor Ball (Chair), Beckett, Bogle, Daunt, Fuller, Wells and R Williams (except items 13, 14 and 15).

Also in attendance:

Councillor Dean Cabinet Member for Environment and Transport (Item No 3)

Ms K Handy, District Auditor, Audit Commission

Mr M Bowers, External Audit Manager, Audit Commission

Ms J Burns Audit Commission

1. APPOINTMENT OF VICE CHAIR

RESOLVED that Councillor Bogle be appointed as Vice-Chair for the 2009/10 Municipal Year.

2. MINUTES OF THE PREVIOUS MEETING (INCLUDING MATTERS ARISING)

RESOLVED that the minutes of the meeting held on 19th March 2009 be approved and signed as a correct record. (Copy of the minutes circulated with the agenda and appended to the signed minutes).

3. IMPLEMENTATION OF MANAGEMENT ACTIONS – SECTION 106 AGREEMENTS

The Committee considered the report of the Executive Directorate of Environment on the progress on the Council's Internal Audit Action Plan relating to Section 106 Agreements on the five evaluated areas of risk identified to ensure effective support in the achievement of management's primary objectives for Section 106 Agreements. (Copy of the report circulated with the agenda and appended to the signed minutes).

The Cabinet Member for Environment and Transport was present and with the consent of the Chair addressed the Committee regarding the review currently being undertaken by Finance and Highways Services of the capital budget relating to completed and outstanding Section 106 Agreements.

RESOLVED

- (i) that the progress on the recommended Management Actions specified in the Internal Audit Report on Section 106 Agreements be noted;
- (ii) that the consultants final report together with the comments and views of the Cabinet Member for Environment and Transport on their findings be circulated

to all members of the Committee when available.

5. **CHAIR'S ANNUAL REPORT ON AUDIT COMMITTEE 2008/09**

The Committee considered the annual report of the Chair of the Audit Committee 2008/09. (Copy of the report circulated with the agenda and appended to the signed minutes).

RESOLVED that the report of the Chair of the Audit Committee 2008/09 attached at Appendix 1 be noted.

6. **STATEMENT OF ACCOUNTS**

The Committee considered the report of the Executive Director of Resources seeking approval of the Statement of Accounts 2008/09. (Copy of the report circulated with the agenda and appended to the signed minutes).

RESOLVED

- (i) that the 2008/09 Statement of Accounts be recommended to the Standards and Governance Committee for approval;
- (ii) that the accounting policies adopted by the Authority be approved; and
- (iii) that management's procedures for preparing the Authority's accounts in Appendix 1 to the main report, be noted;

7. **AUDIT COMMISSION: AUDIT AND INSPECTION FEE 2009/10**

The Committee received and noted the report of the Chief Internal Auditor (Acting) concerning the content of the Audit Commission's Annual Audit and inspection fees letters in respect of 2009/10 together with the supplementary opinion and audit plan for 2008/09. (Copy of the report circulated with the agenda and appended to the signed minutes).

8. **AUDIT COMMISSION: AUDIT AND INSPECTION PLAN PROGRESS REPORT**

The Committee received and noted the report of the Chief Internal Auditor setting out at Appendix 1 an update on the progress against the 2008/09 Audit and Inspection Plan. (Copy of the report circulated with the agenda and appended to the signed minutes).

9. **REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL AUDIT**

The Committee considered the report of the Chief Internal Auditor requesting that the Committee review the effectiveness of the system of internal audit using the sources of assurance as set out in the report. (Copy of the report circulated with the agenda and appended to the signed minutes).

RESOLVED

- (i) that the effectiveness of the internal audit system based on the sources of assurance set out in the report be confirmed; and
- (ii) that the Committee's thanks be conveyed to the Internal Audit Team for their work in ensuring the City Council's internal audit system complies in all respects with the latest Chartered Institute of Public Finance and Accountancy (CIPFA) Guidelines.

10. CHIEF INTERNAL AUDITOR'S ANNUAL REPORT AND OPINION 2008/09

The Committee received and noted the report of the Chief Internal Auditor requesting that the Committee notes the Chief Internal Auditor's Annual Report and Opinion for 2008/09. (Copy of the report circulated with the agenda and appended to the signed minutes).

11. ANNUAL GOVERNANCE STATEMENT 2008-09

The Committee considered the report of the Executive Director of Resources requesting that the Committee reviews and approves the draft Annual Governance Statement and recommends its acceptance to the Standards and Governance Committee prior to signing by the Chief Executive and Leader of the Council. (Copy of the report circulated with the agenda and appended to the signed minutes).

RESOLVED

- (i) that the draft Annual Governance Statement, together with sources of assurance upon which the statement was based, be confirmed as meaningful and the system of internal control be considered to have operated effectively throughout the reporting period;
- (ii) that the draft Annual Governance Statement be approved and recommended for acceptance by the Standards and Governance Committee; and
- (iii) that the content of the Statement on Internal Control 2007/08: Action Plan Status document set out in Appendix 2 to the report be noted.

12. RISK MANAGEMENT STRATEGY AND ACTION PLANS

The Committee considered the report of the Executive Director of Resources seeking approval of the Risk Management Action Plan for 2009/10, the Risk Management Strategy document and requesting the Risk Management Action Plan 2008/09: Status Report be noted. (Copy of the report circulated with the agenda and appended to the signed minutes).

RESOLVED

- (i) that the Risk Management Action Plan for 2009-10 as set out in Appendix 1 of the report be approved;
- (ii) that the Risk Management Action Plan 2008-09: Status Report as set out in Appendix 2 of the report be noted; and
- (iii) that the revised 'Risk Management Strategy' document as set out in Appendix 3 of the report be approved.

13. **INTERNAL AUDIT: STATUS OF WORK – MAY 2009**

The Committee considered the report of the Chief Internal Auditor requesting that the Committee notes the Internal Audit Status of Work report for the period ending 15 May 2009. (Copy of the report circulated with the agenda and appended to the signed minutes).

RESOLVED

- (i) that the Internal Audit Status of Work report for the period ending 15 May 2009, be noted; and
- (ii) that a member of the Internal Audit Team attend the meetings of the Schools Forum with a view to being able to offer guidance and advice on the requirements of financial matters and record keeping.

14. **INTERNAL AUDIT: REVIEW OF INTERNAL AUDIT STRATEGY 2007 – 2011**

The Committee considered the report of Chief Internal Auditor seeking approval of the revised Internal Audit Strategy 2007 – 20-11. (Copy of the report circulated with the agenda and appended to the signed minutes).

RESOLVED that revised Internal Audit Strategy for 2007 - 2011 as appended to the report be approved.

15. **MONITORING AUDIT COMMITTEE RECOMMENDATIONS**

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

RESOLVED that the actions taken since the last Audit Committee be noted.