

AUDIT COMMITTEE

28th September, 2007

PRESENT – Councillors Baldwin, Johnson and Thistlethwaite and Mr. J.Morton. (4)

APOLOGIES –

ABSENT -

A18. DECLARATIONS OF INTEREST – There were no declarations of interest reported at the meeting.

A19. MINUTES – RESOLVED - That the Minutes of the meeting of this Committee held on 28th June, 2007, having been circulated, be taken as read and approved as a correct record.

A20. AUDIT SERVICES ANNUAL AUDIT PLAN 2007/08 – PROGRESS REPORT - The Chief Internal Auditor submitted a report (previously circulated) updating Members on the progress made during the first five months of the year against the 2007/08 Annual Audit Plan.

References were made to the outcome of the Audit Assignments undertaken, including that the Assistant Director, Development and Regeneration in conjunction with the Planning Services Manager had progressed recovery of outstanding Section 106 monies and that a robust system of internal control to cover this aspect of business had been agreed and was to be implemented by the end of September 2007; significant outputs from consultancy work undertaken; and results or year end projections of the Audit Services' Performance Indicators.

RESOLVED – That the progress report against the 2007/08 Annual Audit Plan be noted.

A21. AUDIT OF ACCOUNTS 2006/07 – The Director of Corporate Services submitted a report (previously circulated) providing Members with information on the outcome of the audit of the Council's 2006/07 accounts and Use of Resources and seeking approval to conclude the accounts based on Officers recommendations, with regard to issues arising from the audit.

References were made to the Regulatory Framework, which required local authorities to prepare an Annual Statement of Accounts, for them to be approved by Members, published and audited.

It was reported that the draft Statement of Accounts for 2006/07 had been approved by the Audit Committee in June 2007 and, in accordance with statutory requirements, had subsequently been audited by the Council's external auditors, PricewaterhouseCoopers (PWC).

The Assistant Director, Accountancy and Local Taxation, referred to a number of misstatements in the accounts and the reasons for those misstatements and he reported that, as none of the items concerned were material in the context of the Statement of Accounts as a whole, the Officers proposed not to adjust the accounts.

It was reported that the formal objection, which had been raised in relation to last year's Statement of Accounts, had now been resolved and consequently the objection had been formally withdrawn.

A copy of PWC's report on the results of their audit on the 2006/07 accounts and the Use of Resources Conclusion was appended to the submitted report and David Inman, Accounts and Governance Specialist from PWC commented thereon.

RESOLVED – (a) That the Auditor's ISA260 report on the Council's 2006-07 financial statements and use of resources be noted.

(b) That the 2006/07 accounts be not adjusted in respect of the items detailed in the submitted report.

A22. RISK MANAGEMENT – 2007/08 – PROGRESS REPORT - The Director of Corporate Services submitted a report (previously circulated) updating Members on the approach to and outcomes from the Council's Risk Management processes.

The submitted report outlined the background to the Council's Risk Management Strategy, which was a fundamental part of the Cipfa/SOLACE framework on Corporate Governance and the Chief Internal Auditor reported that Risk Management was also an integral requirement of the Comprehensive Performance Assessment and an important element in demonstrating continuous improvement.

References were also made to the background to the management of risk management within the Authority; the authority's score for risk management under the Corporate Performance Assessment (CPA); the improvement action plan implemented to strengthen the Council's position prior to the next CPA; and the risks identified on a departmental basis which had been identified as above the risk appetite line and the improvement actions taken thereon.

RESOLVED – That the Risk Management Progress Report for 2007/08 be noted.

A23. CORPORATE GOVERNANCE – UPDATE REPORT - The Director of Corporate Services and the Assistant Chief Executive submitted a report (previously circulated) updating Members on the progress to date on the application of Corporate Governance within the Authority.

The Chief Internal Auditor reported that Cipfa/SOLACE had now reviewed their original Framework to reflect the fact that local government had been subject to continued reform to improve local accountability and engagement and that the revised framework 'Delivering Good Governance in Local Government' re-emphasised the importance of maintaining good governance throughout all Council activities. The Council's existing Code is to be reviewed in the light of this new guidance.

It was also reported that this Council's Auditors, PriceWaterhouseCoopers (PWC), had recognised the Local Code as a key management tool for strengthening and improving the Council's corporate governance arrangements and references were made to Members' training on Corporate Governance; the implementation of learning management software to better record acceptance and understanding by employees and Members of a range of corporate policies/processes; and an analysis of 'hits' on the Council's Intranet.

RESOLVED – That the progress on the application of Corporate Governance within the Authority be noted.