

Audit & Governance Committee

28th September 2010

MINUTES

Present:

Councillor Bill Hartnett (Chair), and Councillors Peter Anderson, Michael Braley, Andrew Brazier, Malcolm Hall and William Norton

Also Present:

Elizabeth Cave and David Evans (Audit Commission)

Officers:

T Kristunas, S Morgan and J Pickering,
B Haycock and G Tanfield (Worcestershire Internal Audit Shared Services)

Committee Services Officer:

D Sunman

15. APOLOGIES

Apologies for absence were received on behalf of Councillor Robin King.

16. DECLARATIONS OF INTEREST

There were no declarations of interest.

17. MINUTES

RESOLVED that

the minutes of the meeting of the Committee held on 29th June 2010 be confirmed as a correct record and signed by the Chair.

18. AUDIT COMMISSION ANNUAL GOVERNANCE REPORT AND STATEMENT OF ACCOUNTS 2009/10.

The District Auditor presented her Annual Governance Report 2009/10 that summarised the findings from the 2009/10 audit.

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Chair

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She confirmed that the accounts were free from material errors and concluded that an unqualified opinion on the accounts would be issued together with an unqualified Value for Money conclusion subject to the following recommendations:

- 1) Assets under construction – Officers had been asked to review the capital costs associated with the initial professional fees relating to the Abbey Stadium to ensure that these are directly attributable to the scheme which was finally approved;
- 2) Bad Debts – all Council departments should be reviewed and bad debt provision created based on the age and collection history of the debt; and
- 3) Working Papers – the Audit Commission accepted that the papers had improved but it also recommended that they should be subject to a more robust quality check to ensure that all financial statements could be evidenced in a formally documented way.

Members were informed that an Action Plan had been developed to ensure that all recommendations would be addressed as part of the 2010/11 final accounts planning process.

RESOLVED that

- 1) **the recommendations included in the Annual Governance Report 2009/10 be noted and that an Action Plan be developed to address the issues raised in the report;**
- 2) **the amendments to the Statement of Accounts be noted;**
- 3) **the 2009/10 Statement of Accounts, as attached to the report, be approved; and**
- 4) **a copy of the Statement be signed at the meeting by the Chair.**

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19. AUDIT COMMISSION AUDIT FEE 2010/11

The District Auditor outlined the implications for future provision of audit services as follows:

- 1) The 2010/11 Audit would be carried out by the Audit Commission and would include new criteria including Value for Money, Financial Resilience and Priority of Resourcing. There would be a modest rebate on fees as no scored judgement would be included in the Audit; and
- 2) The 2011/12 Audit would be the final one carried out by the Audit Commission and reduction in fees of 10% - 15% could be expected.

RESOLVED that

- 1) **that the report be noted; and**
- 2) **further reports be submitted to the Committee on the future of external audit services, when the information is available.**

20. INTERNAL AUDIT - OUTTURN STATEMENT - 1ST APRIL TO 30TH JUNE 2010

The Chair welcomed Gillian Tanfield who had taken up her post as Worcestershire Internal Audit Shared Services (WIASS) Manager on 1st September 2010

Members received a report from the Internal Audit Manager regarding the use of resources in the first three months of 2010/11 and provided the First Quarter Outturn Statement. Members noted that sickness levels within Internal Audit were continuing to impact on the throughput of the unit. The WIASS Manager reported that she would be addressing sickness levels as a priority through shared services.

Members were informed that a larger resource pool would be accessed through shared services.

RESOLVED that

the report be noted.

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21. INTERNAL AUDIT - PROGRESS REPORT

Members received a report regarding audits completed by the Internal Audit Team since the previous progress report to this Committee on 20th April 2010. In response to questions, Officers confirmed that follow up work would be carried out to confirm that all recommendations from the audits had been implemented.

RESOLVED that

- 1) **the report be noted.**

(Officers to check and confirm that the Service Level Agreements with regard to Civil Parking Enforcement have been signed.)

22. AUDIT & GOVERNANCE COMMITTEE - DRAFT WORK PROGRAMME

Members were asked to approve the timetable of meetings for the Work Programme 2010/12 as follows:

2011

24th January (replaces 14th December 2010)
18th April (replaces 31st March)
20th June
29th June (Statement of Accounts)
26th September

2012

23rd January
23rd April

RESOLVED that

the timetable of meetings be approved.

The Meeting commenced at 7.00pm.
and closed at 8.35pm

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Chair