

AUDIT COMMITTEE

MINUTES of the meeting held on Wednesday, 29 February 2012 commencing at 11.00 am and finishing at 1.25 pm

Present:

Voting Members: Councillor David Wilmshurst – in the Chair
Councillor Alan Armitage
Councillor Nick Carter (In place of Councillor Charles Mathew)
Councillor Tony Crabbe
Councillor Roy Darke
Councillor Sandy Lovatt
Councillor Larry Sanders
Councillor C.H. Shouler
Councillor Lawrie Stratford

Non-voting Co-optees: Dr Geoff Jones

Other Members in Attendance: Councillor Jim Couchman, Cabinet Member for Finance & Property

By Invitation: Mary Fetigan and Maria Grindley, Audit Commission

Officers:

Whole of meeting Lorna Baxter, Deputy Chief Finance Officer; Peter Clark, County Solicitor & Monitoring Officer; Ian Dyson, Chief Internal Auditor; Geoff Malcolm, Committee Officer

Part of meeting Helen Doney, Financial Manager-Treasury Management; Donna Ross, Principal Financial Manager

The Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting and decided as set out below. Except as insofar as otherwise specified, the reasons for the decisions are contained in the agenda and reports, copies of which are attached to the signed Minutes.

9/12 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS
(Agenda No. 1)

Apology received from	Substitute
Councillor Charles Mathew	Councillor Nick Carter

10/12 MINUTES

(Agenda No. 3)

The Minutes of the meeting held on 18 January 2012 (AU3) were approved and signed.

11/12 TREASURY MANAGEMENT - RISK AND GOVERNANCE

(Agenda No. 5)

At the last meeting the Committee had requested the Head of Corporate Finance to give a presentation on the risk and governance aspects of Treasury Management.

Donna Ross, Principal Financial Officer led a presentation on 'Treasury Management Strategy Risks'. The presentation provided the CIPFA definition of Treasury Management (TM) and then looked at the Council's processes for the TM in terms of its budget, strategy inputs, risk and risk management and monitoring, and the Council's Strategy for 2012/13.

The team then responded to questions and comments including regular reporting to members through half yearly reports to Council, monthly monitoring to the Cabinet and regular liaison with the Committee's Chairman, who was also the Member Champion for Risk Management.

RESOLVED: to note the information and thank Ms Ross and team.

12/12 AUDIT WORKING GROUP - 16 FEBRUARY 2012

(Agenda No. 6)

The Committee considered a report (AU6) which summarised the main business items arising at the most recent meeting of the Audit Working Group (AWG) on 16 February 2012, which were as follows:

- Internal Audit Report
- Risk Management Report
- Review of AWG Terms of Reference
- AWG Work Programme.

RESOLVED: to

- a) note the report;
- b) approve the AWG terms of reference (subject to any consequential changes arising from Minute 13/12 below); and
- c) approve the timings and initial Work Programme for the AWG in 2012/13.

13/12 AUDIT COMMITTEE ANNUAL REPORT 2011

(Agenda No. 7)

Councillor Wilmshurst introduced the Chairman's (draft) Annual Report to Council which had been prepared in accordance with the process agreed by the Committee in 2006.

Members suggested minor updates and textual corrections for inclusion in the final report (for which see the County Council Agenda for the meeting on 3 April 2012 - Agenda item 10). The Chairman agreed to clarify in particular references to member attendance at the Audit Working Group (AWG) to reflect that all members of the Audit Committee could attend AWG meetings.

RESOLVED: to endorse the Annual Report to Council 2011 (AU7) subject to the minor changes raised during debate.

14/12 INTERNAL AUDIT SERVICES - INTERNAL AUDIT STRATEGY 2012/13

(Agenda No. 8)

The Committee considered a report (AU8) which detailed the Internal Audit Strategy, including the resources available and how the service would be delivered in 2012/13. Mr Dyson confirmed that work plans would be prepared on a quarterly basis and presented to the Audit Committee for approval.

RESOLVED: to approve the Internal Audit Strategy subject to minor textual corrections and updates.

15/12 TIMING OF MEETINGS

(Agenda No. 9)

The Committee considered a report (AU9) which sought the Committee's approval for an alteration in the timing of the Committee from Wednesdays at 11.00 a.m. to a new time of Wednesdays at 2.00 p.m.

The County Solicitor & Monitoring Officer outlined the reasons for the request. The Committee currently met six times a year on a Wednesday morning. The County Council's senior management team also met every week at this time. Both the County Council Management Team and the Audit Committee required the continued focus and support of the Council's Chief Officers. Consequently, it was suggested that the Council's strategic management and its control arrangements would be enhanced by avoiding any clash between the two meetings.

If the Committee supported the proposal, any informal briefings/training by officers immediately before the start of Audit Committee meetings would in future commence at 1pm.

RESOLVED: to **RECOMMEND** Council that future meetings of Audit Committee should take place in the afternoon from 2.00 p.m..

16/12 AUDIT COMMITTEE DRAFT WORK PROGRAMME 2012/13

(Agenda No. 10)

The Committee considered and **RESOLVED** to agree its Work Programme 2012/13 as drafted subject on 18 April 2012 to the deletion of 'Draft Annual Scrutiny Report' which was moved to the Audit Working Group agenda for 21 June 2012.

..... in the Chair

Date of signing