

AUDIT COMMITTEE

MINUTES of the meeting held on 24 June 2009 commencing at 11.00 am and finishing at 2.00 pm.

Present:

Voting Members: Councillor David Wilmshurst - in the chair

Councillor Roy Darke
Councillor John Goddard (in place of Councillor Alan Armitage)
Councillor Timothy Hallchurch MBE
Councillor Ray Jelf
Councillor A.M. Lovatt
Councillor Charles Mathew
Councillor Larry Sanders
Councillor Lawrie Stratford

Non-Voting Members: Dr Geoff Jones

Other Members in Attendance: Councillor C.H. Shouler) (for Agenda Items 5, 6, 7, 8, 9)
Dr Peter Skolar for Agenda Item 10)

By Invitation: Maria Grindley & Mary Fetigan (Audit Commission)

Officers:

Whole of meeting: I. Dyson, G. Malcolm, S. Scane (Corporate Core)

Part of meeting:

Agenda Item	Officer Attending
6	G. Paton (Corporate Core)
7)	S. Skivington (Shared Services)
8)	

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 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.

28/09 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

Apologies for absence and temporary appointments were received as follows:

Apology from

Councillor Armitage

Temporary Appointments

Councillor Goddard

29/09 MINUTES

The Minutes of the meetings of the Committee held on 24 April 2009 and 16 June 2009 were approved and signed.

30/09 INTERNAL AUDIT SERVICES - ANNUAL REPORT OF THE HEAD OF INTERNAL AUDIT 2008/09

(Agenda Item 5)

The Accounts and Audit Regulations 2003 (as amended 2006) required the Council to maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper internal audit practices. In accordance with the Code, the Head of Internal Audit, (Assistant Head of Finance (Audit)) was required to provide a written report to those charged with Governance, timed to support the Annual Governance Statement, including an opinion on the overall adequacy and effectiveness of the Council's control environment. The Committee considered the report (AU5).

Mr Dyson introduced the report and highlighted key points including the overall opinion at paragraph 2.2.1 that the Council's Systems of Internal Control continued to operate satisfactorily and that in general the key controls in place were adequate and effective such that reasonable assurance could be placed on the operation of the Council's function. He then responded to questions and comments including progress with the major business process re-engineering project in relation to the Schools Support & Technical Team (paragraph 2.2.3), Information Security compliance (paragraph 2.2.7) and the action arising from the 2008/09 overall opinion.

Mr Dyson and team were thanked for their work and congratulated upon achievement of the Audit Plan.

RESOLVED: to note the report.

31/09 ANNUAL GOVERNANCE STATEMENT 2008/09

(Agenda Item 6)

The Council had approved and adopted a code of corporate governance, which was consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government. Corporate governance was the framework of accountability to users, stakeholders and the wider community, within which organisations took decisions and led and controlled their functions to achieve their objectives. The quality of corporate governance arrangements was a key determinant of the quality for services provided by organisations.

The Committee considered the Statement which explained how the County Council had complied with the Code and also met the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 (as amended) in relation to the publication of a Statement on Internal Control. Ms. Paton introduced the report, which included the Statement at Annex 1, outlined the process for its compilation & the development of action plans where required with timescales (being updated) and the arrangements for governance of partnerships and other groups as part of the Council's overall arrangements. The Committee did not require any amendments to the Statement.

Ms. Paton and team were thanked for their work.

RESOLVED: to approve the Annual Governance Statement 2008/09 for inclusion in the Annual Statement of Accounts.

32/09 ARRANGEMENTS FOR THE PUBLIC INSPECTION OF THE ACCOUNTS

(Agenda Item 7)

On 24 September 2008 officers undertook to report on the arrangements for the inspection of the accounts in advance of the inspection period commencing. The Committee considered a report (AU7) which set out the arrangements for 2008/09.

In relation to the Notice of electors' rights to inspect the accounts, members supported a review of the publications used in order to ensure coverage of the Oxfordshire area.

RESOLVED: to note and approve the arrangements in place for the public inspection of the 2008/09 accounts.

33/09 STATEMENT OF ACCOUNTS 2008/09

(Agenda Item 8)

The Accounts and Audit Regulations 2003 (as amended) required, by 30 June, the Statement of Accounts to be considered by a committee of the Council and, following that consideration, to be approved by a resolution of that committee. The Regulations also required that, following approval, the Statement of Accounts should be signed and dated by the chairman of the committee.

The Committee considered a report (AU8) which presented the 2008/09 Statement of Accounts. An overview of the financial position of the Council at 31 March 2009 was contained in the Foreword.

The Assistant Chief Executive & Chief Finance Officer presented the Statement of Accounts. She outlined the considerable work which had been undertaken and, with the Cabinet Member for Finance & Property conveyed appreciation to relevant officers and responded to members' questions and comments.

The Committee supported the continued move towards simplicity in the presentation of financial information and the provision of training and briefing for all councillors in order to develop members' understanding of the Accounts.

The Committee thanked Ms Scane, Ms Skivington and team for their work.

RESOLVED: to:

- (a) approve the Statement of Accounts for 2008/09 (signed by the Chairman of the Committee) for submission to the Auditor; and
- (b) note the Summary Accounts 2008/09 for inclusion in the Annual Report 2009.

34/09 AUDIT COMMISSION PLAN FOR 2009/10

(Agenda Item 9)

The Committee considered the Audit Commission Plan for 2009/10 (**AU9**) which set out the audit work the Audit Commission proposed to undertake.

Ms. Grindley introduced the Plan and outlined the hand over process from KPMG and the fee setting basis. In response to members' comments concerning justification for the proposed audit fee, she confirmed that the total was indicative at this stage and that the reduction from the previous year reflected discussions to date regarding the Council's continued improvement. The Committee asked the District Auditor for more detailed information about the fee proposed for 2009/10.

RESOLVED: to note the Plan.

35/09 AUDIT WORKING GROUP – AWG CHAIRMAN'S ANNUAL REVIEW OF ACTIVITIES 2008/09
(Agenda Item 10)

Dr. Geoff Jones, Chairman of the Audit Working Group (AWG) presented an overview of the Working Group's activities in 2008/09 (AU10). He reminded members about the role and responsibilities of the AWG and outlined the Group's activities, achievements during the year and potential future contribution to the work of the Committee.

During a comprehensive discussion about the effectiveness of the Group, members expressed the view that overall the AWG worked well, had added value to the quality of the Committee and was beneficial in terms of providing a forum for informal contact between members and officers in a small group setting. Mr Jones drew members' attention to the Group's terms of reference which set out the arrangements for Audit Committee members' attendance at the Group's meetings as observers.

The Committee concurred with Dr. Jones that the Group performed a valuable role and supported its continuation.

Dr. Jones was thanked for his work in chairing the Audit Working Group.

RESOLVED: to receive the Annual Review report.

36/09 AUDIT WORKING GROUP – MEMBERSHIP
(Agenda Item 11)

RESOLVED: in accordance with the Committee's terms of reference, to appoint to the Audit Working Group:

- three County Councillors, including the Chairman of the Audit Committee, with three named substitutes; as follows:-

Members:

- Chairman of the Committee – Councillor Wilmshurst;
- Deputy Chairman of the Committee – Councillor Jelf; and
- Councillor Armitage (subject to agreement);

Substitutes:

- Councillor Darke;
- Councillor Lovatt;
- Councillor Mathew;

and

- one independent member drawn from the Audit Committee (to Chair the Group), namely Dr. Geoff Jones.

37/09 AUDIT COMMITTEE PROVISIONAL WORK PROGRAMME 2009/10
(Agenda Item 12)

The Committee considered its provisional Work Programme (**AU12**).

RESOLVED: to approve the Work Programme 2009/10 as shown subject to:

23 September 2009 – Safeguarding & Child Protection Services in Oxfordshire (*provisional*): the deletion of Mr Couldrick’s name as lead officer (which was to be determined).

.....in the Chair

Date of signing.....2009