

AUDIT COMMITTEE

MINUTES of the meeting held on Wednesday, 20 April 2011 commencing at 11.00 am and finishing at 1.10 pm

Present:

Voting Members: Councillor David Wilmshurst – in the Chair
Councillor Ray Jelf (Deputy Chairman)
Councillor Roy Darke
Councillor Jean Fooks (In place of Councillor Alan Armitage)
Councillor A.M. Lovatt
Councillor Charles Mathew
Councillor Larry Sanders
Councillor C.H. Shouler
Councillor Lawrie Stratford

Non-voting Co-optees: Dr Geoff Jones

Other Members in Attendance: Councillor Jim Couchman and Councillor Melinda Tilley

By Invitation: Maria Grindley, Audit Commission

Officers:

Whole of meeting Peter Clark, Head of Law & Governance, Ian Dyson, Assistant Head of Finance (Audit), Sue Scane, Assistant Chief Executive & Chief Finance Officer, Geoff Malcolm (Committee Services)

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.

18/11 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

(Agenda No. 1)

Apology from	Substitute
Councillor Alan Armitage	Councillor Jean Fooks

19/11 MINUTES

(Agenda No. 3)

The Minutes of the meeting held on 2 March 2011 (AU3) were approved and signed.

Minute 15/11 (d): following the informal member/officer meeting to consider risk / performance management & audit in the light of the Council's organisational changes, the Chairman commended the Committee to hold an additional meeting on this topic prior to the next scheduled meeting.

(See also Minute 25/11 below.)

20/11 AUDIT COMMISSION: AUDIT FEE LETTERS 2011/12: OXFORDSHIRE COUNTY COUNCIL & OXFORDSHIRE PENSION FUND

(Agenda No. 5)

Ms. Grindley presented the Audit Fee letters 2011/12 (AU5). The Letters confirmed the work which the Commission proposed to undertake for the 2011/12 financial year, set out the basis of audit planning and setting the scale fee and introduced the members of the audit team for 2011/12. The planned outputs were set out in the Appendices with indicative dates. The Commission would provide progress reports to the Committee during the year. If any significant amendments to the audit fee were needed the reasons would be discussed with officers and reported to the Committee for discussion.

In relation to the Pension Fund Letter it was reported that Councillor Harvey had been invited but was unable to attend this meeting. He had no comments on the Letter concerning the Annual Audit Fee for 2010/11.

RESOLVED: to note the Audit Fee Letters 2011/12 and thank Ms. Grindley and team for their work.

21/11 AUDIT WORKING GROUP - 31 MARCH 2011

(Agenda No. 6)

The Committee considered a report (AU6) which set out the Audit Working Group (AWG) matters considered by the AWG on 31 March 2011.

The specific matters for report to the Committee were as follows:

- Environment & Economy Project & Risk Management;
- Fairer Charging Performance; and
- the AWG Work Programme 2011/12.

In relation to the Work programme the Committee noted that the AWG on 16 June 2011 would consider the draft response to consultation by the Department for Communities & Local Government on the future of local public audit. (Officers undertook to produce a draft response, to be circulated to all members of the Audit Committee, by 31 May.)

RESOLVED: to note the report.

22/11 REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT 2010/11

(Agenda No. 7)

The Committee considered a report (AU7) which commented on the performance of the Internal Audit system throughout 2010/11. Mr. Clark presented the paper and was pleased to report that there had been a 100% response to the Annual Survey of senior managers.

The Committee welcomed the positive response to the Survey and noted that the feedback provided a real measure of the effectiveness of Internal Audit in the Council. Members also noted that the AWG received quarterly reports on progress with performance indicators.

RESOLVED: to approve the Monitoring Officer's assessment of the effectiveness of the system of Internal Audit 2009/10.

23/11 ANNUAL GOVERNANCE STATEMENT - CORPORATE LEADS ASSURANCE PROCESSES 2010/11

(Agenda No. 9)

The Committee considered a report (AU9) which commented on the performance of the Internal Audit system throughout 2010/11 in the light of the revised Corporate Governance Assurance Framework approved by the Committee on 17 November 2011. Mr Clark as monitoring Officer introduced the report and drew members' attention in particular to the key changes reflected in the new framework and the Corporate Leads assurance processes.

During the Committee's debate and following member comment on Annex 11 – Partnerships – Mr. Clark confirmed that the AWG could undertake further detailed work on the key control processes, with Lead Officers as and when required, during the next year if it felt that would be useful.

RESOLVED: to approve the processes designed by the Corporate Leads for monitoring the effectiveness of the Council's key controls.

24/11 INTERNAL AUDIT PLAN - QUARTER 1, 2011/12

(Agenda No. 8)

In March the Committee had approved the internal Audit Strategy for 2011/12, which included a move from an annual Internal Audit Plan to a quarterly one. The Committee considered a report (AU8) which detailed the quarter 1 2011/12 plan for Internal Audit. Mr. Dyson introduced the paper and confirmed that the Plan had been compiled following consultation with the Directors and the Performance & Review team. He then responded to members' questions and comments including the use of transactional testing and, with the Solicitor to the Council the availability of exempt reports to members on a 'need to know' basis.

RESOLVED: to approve the Quarter 1 Internal Audit Plan.

25/11 DATE OF MEETING

(Agenda No. 10)

RESOLVED: to

a) hold an additional meeting on 22 June 2011 between 10.00am-1.00pm, the main business being:

- an overview of governance arrangements for the Council's Business Strategy, led by the Chief Executive with Directors in attendance; and
- the Audit Working group report on the draft response to the Department for Communities & Local Government consultation on the Future of Local Public Audit;

and

b) move the meeting scheduled for 29 June 2011 to 7 July 2011 commencing at 2:00 pm.

26/11 AUDIT COMMITTEE WORK PROGRAMME 2011/12

(Agenda No. 11)

RESOLVED: to adopt the Work Programme (AU11)subject to:

- meeting dates: the deletion of '29 June' and substitution of '7 July';

and

- on 7 July the addition of topics as follows:
 - Internal Audit Plan – Quarter 2, 2011/12; and
 - Audit Commission:
 - Progress Report; and
 - Letter to those Charged with Governance.

..... in the Chair

Date of signing