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FINAL ACCOUNTS AND AUDIT COMMITTEE

MINUTES of a MEETING of the FINAL ACCOUNTS AND AUDIT COMMITTEE held at COUNTY HALL, TROWBRIDGE on MONDAY 15 DECEMBER 2008.

PRESENT:

Mrs JA Scott, Mr A Davis, Mr P Fuller, Mr JR Henning, Mr M Hewson, Mr A Molland, Mrs JH Seager and Mr RS White.

Mrs M White also attended the meeting.

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39. **Apologies** Apologies for absence were received from Mr PCB Coleman, Mr JP Johnson, Mr C Newbury and Mr RT Rogers.

40. **Minutes of Previous Meeting**

Resolved: To confirm and sign the minutes of the meeting held on 30 September 2008, subject to the recording of apologies received from Mr A Molland.

41. **Internal Audit Progress Report 2008-09** The Committee considered a report by the Chief Financial Officer. The report presented the Internal Audit Progress Report 2008-09 and outlined the progress and the current issues arising in relation to audit work to date.

It was noted that work had been taking place to achieving a single Internal Audit Unit to be effective from 1 April 2009 and that this had been progressing well with much goodwill and cooperation from the staff involved. It was anticipated that this piece of work should be completed by the end of March 2009.

The Committee noted that an audit had been taking place on the Care First system in relation to Adult Care Services to determine if the intended benefits of the system had been achieved. Whilst improvements had been made, it was acknowledged that the system was still not completely reliable and hence hard copies of some paperwork were being retained for backup purposes. It was noted that Internal Audit would continue to follow up improvements to the system and would also review its use by the Children & Families Section.

Resolved: To note the content of the report, specifically:-

- (1) That Internal Audit has achieved its overall plan over the first eight months of the year, and looking forward over the remainder of the year with current staffing resources, the plan should be fully achieved in terms of overall productive days delivered.
- (2) The summary of the more significant issues relating to audit work carried out in the period since the last progress report at the end of August 2008.

42. **Establishing an Audit Committee for Wiltshire Council** Consideration was given to a joint report by the Deputy Monitoring Officer and the Chief Financial Officer on a proposal to establish an Audit Committee for Wiltshire Council, prior to its consideration by the Implementation Executive at its meeting on 13 January 2009.

It was noted that in order to ensure that local authorities had sound arrangements for corporate governance, audit committees were increasingly viewed as a critical component in the overall governance process. CIPFA had recognised the importance of audit committees and considered that they should be established in all principal local authorities.

During discussion, Members expressed the view that there was a need to differentiate between the work of an Audit Committee and that of Scrutiny. It was acknowledged that Scrutiny should examine the implementation of policy rather than governance issues.

Resolved:

- (1) To support the establishment of an Audit Committee for Wiltshire Council, consisting of 13 Non-Executive Members.
 - (2) To agree that the Leader of the Council or the Cabinet Member responsible for Finance and Governance should be a non-voting Member of the Committee.
43. **Progress Report December 2008** Consideration was given to a report by KPMG which detailed a summary of audit progress made since the last meeting.

Resolved: To note the contents of the report.

44. **Data Quality Review 2008** The Committee received a report by KPMG from which it was noted that the Audit Commission had developed a three-stage approach for assessing data quality, the first stage being a review of management arrangements for data quality.
- This review had been designed to determine if the Council had in place proper corporate management arrangements for data quality and whether they were being applied in practice. It was noted that this was the first year that KPMG had undertaken work on data quality, this function having previously been carried out by the Audit Commission.
- Members were very pleased to note that the Council's overall performance had been assessed as *performing well* in respect of arrangements over governance and leadership, people and skills and data use and reporting and *strongly* in respect of policies and procedures. The Council's arrangements over systems and processes had been assessed as *adequate*. It was noted that action was being taken to address these issues regarding systems and processes and in particular to implement systematic arrangements for ensuring that key data supplied by third parties was fit for purpose.

Resolved: To note the contents of the report.

45. **Use of Resources Assessment 2008** The Committee considered a report by KPMG which explained that the annual Use of Resources assessment evaluated how the Council used and managed its financial resources. It focused on the importance of having a sound and strategic financial management system so as to ensure that resources were available to support priorities and improve services and covered the following five themes:-

- Financial Reporting
- Financial Management
- Financial Standing
- Internal Control
- Value for Money

It was noted that the Council's overall score had been assessed as level 3 – *consistently above minimum requirements and performing well*. The Council was performing well in four of the five themes but the assessment considered that improvements were achievable in Internal Control where the Council had performed adequately and had achieved a score of 2. The overall score in this theme was limited because the Council did not meet a key level 2 requirement in relation to continuity planning. It was noted that a new Business Continuity Plan had now been approved and that progress was well underway including a regular planned testing programme.

Resolved: To note the contents of the report.

(Duration of meeting: 10.00am – 11.30am)

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