

Minutes

Meeting of: Audit Committee

Meeting held in: Committee Room 2, Bourne Hill, Salisbury

Date: 20 October 2005

Commencing at: 10.00am

Present:

Mrs J Clarkson JP (Independent Person) – **Chairman**
Councillor J R L Nettle – **Vice Chairman**

Councillors J A Brady, P D Edge and P V H Paisey.

Officers

Mrs D Melville (Financial Services), Stewart Agland (Democratic Services) and E Sherry and M Tiller (Financial Services).

Also present

Peter Brown (Audit Commission).

24. Apologies

Councillor D A Culver and K C Wren (observers)

25. Public Questions/Statement Time:

There were none

26. Councillor Questions/Statement Time:

There were none



Awarded in:
Housing Services
Waste and Recycling Services



27. Minutes:

Resolved – that the minutes of the meeting held on 26 July 2005 (previously circulated) be approved and signed by the Chairman.

28. Declarations of Interest:

There were none

29. Chairman's Announcements:

There were none.

30. Auditors Report on the Best Value Performance Plan :

Peter Brown of the Audit Commission, advised that he had meant only for the Committee to consider the attached document at this stage and apologised for any confusion caused by his sending out Performance information which was in early draft form and was still subject to Officer input - it was hoped that the performance information would be ready for consideration by the Committee at its next meeting.

Mr Brown advised that this was a statutory report with very little in it. He then advised that the performance indicators had been changed by the Audit Commission to tie in with the CPA process.

Agreed - that the report be noted

31. Audit of Financial Statements 2004/5 - Compliance with Statement of Auditing Standard (SAS) 610

Peter Brown advised that the Commission would give an opinion on the Statement of Accounts on 31 October., however he was able to say that it would be a clear opinion and there would be no material matters to report (an illustrative letter was circulated for information at the meeting).

The Committee was pleased to note that the Councils financial systems were run efficiently and correctly

Agreed - that when the Council formally receives the clear opinion, it be given due publicity.

32. Final Review of Statement of Internal Control Prior to Publication:

The committee considered the report of the Chief Internal Auditor (previously circulated):

Resolved – that the amendment to the Statement on Internal Control to make the deadline for completion of the IT security policy and corporate standards 31st December 2005 be approved.

33. Internal Audit Half Year Report 2004/05

The committee considered the report of the Chief Internal Auditor (previously circulated).

The Committee noted that the situation relating to right to buy was unresolved

Resolved – that (1) the performance of internal audit and the outputs from audit work in the first half of 2005/06 be noted (2) the Committee monitor the right to buy situation to ensure it is resolved (3) in future, the Internal Audit Plan reflect the overlap of reports between years so a complete picture of work including unfinished Audits can be identified.

34. Internal Audit Terms of Reference:

The Committee considered the previously circulated report of the Chief Internal Auditor. The Committee recognised that the level of fraud risk obviously varied between Council Units and the Committee was anxious to ensure that the managers running the higher risk activities were fully trained and supported to help enable them to prevent or detect fraud and corruption.

Resolved – that (1) the Terms of Reference for Internal Audit be approved and (2) the Chief Internal Auditor help Managers responsible for high risk areas of activity to become trained and equipped to perform fully their prevention and detection of fraud and corruption role and report back to the Committee on the actions taken.

35. Internal Audit Resources:

The Committee considered the report of the Chief Internal Auditor (previously circulated).

Resolved – that there be no change to the establishment of Internal Audit at this stage but that steps should be taken to maximise the availability of internal audit resources in 2005/06 and 2006/07 within the existing establishment, with a review of the situation in 18 -24 months, by which time the situation regarding the potential housing stock transfer and leisure trust issue should be known.

36. Draft Work Programme:

The committee considered the previously circulated Draft Work Programme.

Resolved – that the previously circulated work programme be approved.

37. Recruitment of Second Independent Member to the Audit Committee:

The committee considered the report of the Chief Internal Auditor (previously circulated).

Resolved –

- (1) to support the inclusion of a second independent person within the Audit Committee's membership
- (2) the two shortlisted candidates from the original recruitment process be approached to establish whether either of them is interested in this second independent person position and, if they are, they be invited for interview with the Chairman Mrs Clarkson JP and relevant Officers forming the Panel
- (3) should for whatever reason it not be possible to recruit either of these two candidates, a public advert be prepared seeking applicants for this position on the basis that the Chairman, Mrs Clarkson is involved in the selection process
- (4) no change to the current chairmanship arrangements of the Audit Committee is intended as a consequence of having a second independent member.

38. Programme of Future Meetings

Resolved – that the following programme of meetings, which has regard to the agreed work programme, be approved, with all meetings commencing at 9.30am in Bourne Hill.

10 January 2006
4 April 2006
13 June 2006
26 September 2006

(note – 1 no Member has subsequently advised that these dates are a problem for them so they are confirmed)

(note - 2 there is a need to also build in Chairman's briefings)

The meeting concluded at 10.45 am