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AUDIT AND RISK COMMITTEE

5 July 2011

Present:- Councillor Richards in the Chair

Councillors Boden and Loades
Portfolio Holder – Councillor Jones

Also in attendance:- Mr David Jenkins from the Audit Commission

149. * **APOLOGIES**

Apologies were received from Councillors Blair and Waring.

150. * **MINUTES OF PREVIOUS MEETING**

Resolved:- That the minutes of the previous meeting of the Committee held on 18 April 2011 be approved as a correct record.

151. * **AUDIT AND RISK COMMITTEE – PLAN OF WORK 2011/12**

Consideration was given to the proposed plan of work for the Committee during 2011/12 and it was indicated that the training for Members on the Statement of Accounts would be held on 28 July 2011.

In addition, Members considered the issues of 'horizon scanning' and the Local Enterprise Programme (LEP) with a view to these being included in the Work Plan.

Resolved:- (a) That the Work Plan as now amended to include 'horizon scanning' as part of the risk management report be accepted.

(b) That a presentation be given to a future meeting of the Committee on the LEP.

(c) That a letter be sent to all members of the Committee advising them of the training on the Statement of Accounts to be held on 28 July 2011.

152. * **HEALTH AND SAFETY REPORT 2010/11**

Members gave consideration to the annual report of the Corporate Health and Safety Officer which covered the period April 2010 to March 2011.

There were no particular trends or themes emerging in comparison to previous years, but a total of 31 work related accidents had been recorded, 4 of which were reportable to the Health and Safety Executive.

These had resulted in 150 working days being lost with an average of 0.23 days lost per employee.

Details of inspections carried out to date were submitted and it was indicated that the demolition of the western block of the Council's depot in Knutton Lane had been completed and the depot and Fire Service sites were now separated.

Resolved:- That the report be noted and the Corporate Health and Safety Officer be thanked for her work in this matter.

153. * **CIPFA STATEMENT ON THE ROLE OF THE HEAD OF INTERNAL AUDIT**

A report was submitted on the above matter which provided a framework against which the effectiveness of the Head of Internal Audit (HIA) could be assessed in demonstrating that the Council had good governance arrangements in place.

Resolved:- That the report and action plan be noted.

154. * **QUARTERLY REPORT – ADOPTION OF INTERNAL AUDIT FUNDAMENTAL RECOMMENDATIONS AND SUMMARY OF ASSURANCE (1 JANUARY TO 31 MARCH 2011)**

Consideration was given to a report on outstanding fundamental recommendations and provided Members with assurance opinion on internal controls over Council Services.

In the fourth quarter there were 18 fundamental recommendations due for review, all of which were at their first follow up date and therefore no action was required at this stage.

It was also indicated that all Directorates were showing substantial assurance.

Resolved:- That the action of the officers and levels of assurance be noted.

155. * **INTERNAL AUDIT SECTION ANNUAL REPORT 2010/11**

The Committee received a report regarding the Annual Report of the Internal Audit Section for the 2010/11 financial year.

The Audit Plan for the year had been approved on 8 February 2010 and had accounted for 629 audit days.

A good level of productivity had been maintained at 76% whilst 93% of audits had been completed compared to the number planned and 93% of the Audit Plan.

The percentage of Internal Audit recommendations implemented by the Officers had increased to 83% against a target of 95%. There were no high or medium risk recommendations that were considered as not receiving adequate management attention.

Resolved:- That the Internal Audit Section Annual Report for 2010/11 be received.

156. * **REVIEW THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL AUDIT**

The Committee received a report summarising an assessment that had been carried out on the effectiveness of the system of Internal Audit for 2010/11.

This was the fifth review that had taken place and involved updating the 2009/10 self assessment and formulating a revised action plan for work to be completed during the forthcoming financial year.

Resolved:- That the report outlining the findings from the review of the effectiveness of the system of Internal Audit for 2010/11 together with the action plan be agreed.

157. * **REVIEW OF THE EFFECTIVENESS OF THE AUDIT COMMITTEE**

The Committee received a report summarising an assessment that had been carried out on the effectiveness of the Audit Committee for 2010/11.

The results of the self assessments showed that the Audit Committee was effective and could be relied upon when considering the Annual Governance Statement for 2010/11.

Resolved:- That the report outlining the findings from the review of the effectiveness of the Audit Committee for 2010/11 be agreed.

158. * **ANNUAL GOVERNANCE STATEMENT**

The Committee considered a report recommending that the Annual Governance Statement for 2010/11 be approved for inclusion in the financial statements presented at the meeting.

The Council was responsible for ensuring that its business was conducted in accordance with the law and proper standards and that public money was safeguarded, properly accounted for and used economically, efficiently and effectively.

In order to achieve this, the Council was responsible for putting in place proper arrangements for risk management.

The governance framework comprised the systems, processes, culture and value by which the authority was directed and controlled and activities through which it accounted to, engaged with and led the community. It enabled the authority to monitor the achievement of its strategic objectives and to consider whether those objectives would lead to the delivery of appropriate, cost effective services.

The governance framework had been in place for the year ended 31 March 2010 and up to the date of approval of the Statement of Accounts.

The Annual Governance Statement had been produced combining findings from a Corporate Governance Review, Assurance Statements from Executive Directors informed by Corporate Service Managers, the work of Internal Audit and various corporate working parties and comments from external auditors and other review agencies.

Resolved:- That the Annual Governance Statement for 2010/11 be referred to the Chair of the Overview and Scrutiny Co-ordinating Committee for comments prior to the next meeting of this Committee.

159. * **ANNUAL REVIEW OF THE CORPORATE RISK MANAGEMENT STRATEGY AND ACTION PLAN**

Consideration was given to a revised Risk management Strategy, Policy Statement and Action Plan.

The risk management process adopted by the Council assisted in the identification of those key risks that potentially threatened the delivery of the corporate priorities of the Council and also delivery of operational and service objectives.

The Strategy had been changed and developed to reflect a new nationally driven regime in terms of inspection and other changes in the environment.

Resolved:- (a) That the documents covering the revised Risk Management Strategy for 2011/12 together with the Risk Management Policy Statement be noted.

(b) That the revised Risk Management Strategy, Policy Statement and Action Plan be approved.

(c) That training on Risk Management issues be provided for Members.

D J RICHARDS
Chair