

minutes



Meeting AUDIT COMMITTEE

Date 17 May 2011 (commencing at 10.00 am)

membership

Persons absent are marked with `A`

COUNCILLORS

Sheila Place (Chair)
Mike Quigley MBE (Vice-Chair)

| | | | |
|---|----------------------|---|--------------|
| | Chris Barnfather | | Eric Kerry |
| A | Mrs Kay Cutts | | Carol Pepper |
| | Steve Garner | | Darrell Pulk |
| A | Stan Heptinstall OBE | A | Ken Rigby |
| | Richard Jackson | | |

OTHER COUNCILLORS IN ATTENDANCE

Reg Adair - Cabinet Member for Finance and Property

OFFICERS IN ATTENDANCE

David Forster - Governance Officer

John Bailey)
Alan Sumbly)
Nigel Stevenson) Environment and Resources Department
Nick Alderman)

ALSO IN ATTENDANCE

Andrew Blackburn)
Mike Norman) Audit Commission

MINUTES

The minutes of the last meeting of the Committee held on 16 March 2011 having been circulated, were confirmed and signed by the Chair, subject to it being noted:-

- Page 2 last paragraph John Pearson who introduced the report not Nigel Stevenson.

- Page 3 Audit commission progress report it should read in paragraph 1 that the abolition timescale is December 2012 and not April.

APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Mrs Cutts and Councillor Stan Heptinstall and Ken Rigby (who was on other County Council business).

DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

No declarations of interests were made.

UPDATE ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) UPDATE

Mr N Alderman introduced the report and informed members that although the timetable for the IFRS had slipped there were no significant issues arising from it.

RESOLVED: 2011/030

That the report be noted.

STATEMENT OF ACCOUNTS 2010/11 – ACCOUNTING POLICIES

Mr N Alderman introduced the report.

RESOLVED: 2011/031

That the report be noted.

ANNUAL INTERNAL AUDIT REPORT 2010/11

Mr J Bailey introduced the report.

RESOLVED: 2011/032

That the report be noted.

INTERNAL AUDIT PLAN 2011/12

Mr J Bailey introduced the report and circulated the appendix which was omitted from the papers.

In response to questions Mr Bailey replied as follows

- The cycle for Audit strategy is 3 years with the high risk areas audited every 2 years. Due to resources available low risk areas are not covered as part of the Audit Plan.
- The 3 year plan was circulated last year however a comparison table will be produced to enable comparison with previous years for future Annual Plan reports.
- Schools are offered our services when they go foundation but that comes with a fee. Academy schools are not required to have an Internal Audit. However, they are required to monitor their internal controls on a regular

basis, and the Internal Audit Section will offer a service to Academy schools to assist with this.

RESOLVED: 2011/033

That the Internal Audit Plan for 2011/12 be noted.

ANNUAL GOVERNANCE STATEMENT 2010/11

Mr J Bailey introduced the report.

RESOLVED: 2011/034

That the Annual Governance Statement 2011/10 be endorsed.

GOVERNMENT CONSULTATION ON THE FUTURE OF LOCAL PUBLIC AUDIT

Mr J Bailey introduced the report.

Members were concerned that Central Government was interfering with something that currently works well. Members were not against the idea of an independent chair but did not want to see the Audit Committee changed all together. Concerns were raised that the expertise of Members, who know the Authority and its' workings well, would not be mirrored by independent members. Members were also concerned that accountability is not mentioned in the document regarding audit issues.

On a motion by Councillor Place seconded by Councillor Kerry it was:-

RESOLVED 2011/035

1. That the report be noted and
2. that a response to the consultation on the future of Local Public Audit be drafted by Mr Bailey for the approval of the Chair and Vice-Chairs prior to being sent to the Department for Communities and Local Government.

AUDIT COMMISSION PLANS FOR 2010/11 AUDIT

Mr Blackburn and Mr Norman introduced the report and highlighted the following

Audit Plan for Nottinghamshire County Council

- the key issues from the plan is transparency and the risks to Nottinghamshire County Council.
- the 2009/10 although the accounts were not available they have now been worked on.
- there are plans in place to deal with the risks identified in the report.

The Audit Opinion Plan for the Nottinghamshire Pension Fund for the Nottinghamshire Pension Fund followed a similar format as for Nottinghamshire County Council.

On a motion by Councillor S Place, seconded by Councillor M Quigley it was :-

RESOLVED 2011/036

That the External Auditor's Audit Plans for 2010/11 be received and noted.

AUDIT COMMISSION FEES LETTERS 2011/12

Mr A Blackburn introduced the report and highlighted that the scales of fees reflects the risk-based approach to audit planning as set out in the Code of Audit Practice.

On a motion by Councillor S Place, seconded by Councillor M Quigley it was :-

RESOLVED 2011/037

That the proposed Audit Commission fees levels be noted.

CHANGE IN DATE FOR AUDIT COMMITTEE IN SEPTEMBER

Alan Sumbly reported orally that due to the changes in the Accounts and Audit Regulations 2011 the meeting of the Audit Committee in September needs to be brought forward so that the Accounts can be presented to Full Council on 22 September. It was agreed that the date change be agreed through the normal channels.

ALAN SUMBY

Members noted it was Alan's last meeting of the Audit Committee due to his retirement on 10 June 2011. Members wished him well and thanked him for his 28 years of service with the County Council and especially to the Audit Committee.

The meeting closed at 10.57 am.

CHAIR