

# minutes



Meeting      AUDIT COMMITTEE

Date          Tuesday, 15 December 2009 (commencing at 2.00 pm)

## **membership**

Persons absent are marked with `A`

## **COUNCILLORS**

Steve Carroll (Chair)

A      Mike Quigley MBE (Vice-Chair)

Chris Barnfather

Mrs Kay Cutts

Steve Garner

A      Richard Jackson

Eric Kerry

A

Carol Pepper

Darrell Pulk

June Stendall

A

Jason Zadrozny

## **ALSO IN ATTENDANCE**

David Forster      -      Chief Executive's Department

Alan Sumbly      -)

Jeff Nash      -)

Nigel Stevenson      -)      Corporate Services Department

John Bailey      -)

Andrew Blackburn      -)

Mike Norman      -)      District Auditor

Stephen Barnett      -)

## **MEMBERSHIP**

It was reported that Councillor Steve Garner had been appointed to the vacancy on the Committee created following the sudden death of Councillor Tom Appleby

## **MINUTES**

The minutes of the last meeting of the Committee held on 29<sup>th</sup> September 2009 having been circulated, were confirmed and signed by the Chair.

## **APOLOGIES FOR ABSENCE**

Apologies for absence were received from: -

Councillors Richard Jackson (Other County Council Business)  
Carol Pepper (Other County Council Business)  
Mike Quigley

## **DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS**

None

## **ANNUAL AUDIT LETTER DECEMBER 2009**

Andrew Blackburn introduced the Letter and highlighted the following:-

- The Council's current practice of allocating interest earned on its own surplus cash and that of the Pension Fund may be unlawful.
- The additional £13,000 extra for the pension audit is due to an increase in the work needed to complete the audit.

Alan Sumbly informed members that legal advice is being sought with regard to the issue of pooling County Council and Pension Fund cash.

Councillors asked questions and made comments as follows:-

- With regard to the Financial Statement it states there are expected cuts in government funding from 2010/11. This is not the case as the 3 year settlement takes the Council up to 2011/12. Andrew apologised for the mistake and said he would amend the report accordingly.
- Nottinghamshire's Organisational Assessment covering management performance found that the Authority was performing well. Is this the case in all areas that the Assessment looks at? Stephen Barnett replied positively though noted Ofsted's concern with the assessment of safeguarding of children.

Members thanked Andrew and Stephen for their presentations.

It was therefore:-

### **Resolved 2009/016**

That the External Auditors Annual Audit and Inspection Letter 2009 be received.

## **INTERNAL AUDIT PROGRESS REPORT – 1 APRIL 2009 TO 30 SEPTEMBER 2009**

John Bailey introduced the report he made reference to the unsatisfactory internal audit reports on, Contract Compliance follow up, Building Cleaning and Budget Management relating to schools and college transport. He informed members that there will be a follow up audit on all 3 to see if they have made an improvement.

He also highlighted the very good progress with the Internal Audit Performance Indicators.

Members made comments as follows

- How do we make comments on the audit reports we receive? John replied that members should ring the internal audit section and they will help them with any queries.
- Would it not be useful for comments which have been made on any audit reports to be available for members to see? John agreed that this was a good idea and the comments made on audit reports can be included in the 6 monthly report presented to this Committee.

It was therefore –

**RESOLVED 2009/017**

That the Internal Progress Report be noted.

**NATIONAL FRAUD INITIATIVE 2008/09**

A report was presented to members updating them on the results of the Audit Commission's data matching exercise, the National Fraud Initiative 2008/09

**RESOLVED 2009/018**

That the report be noted.

**PREVENTING FRAUD AND CORRUPTION - TRAINING**

A report was presented to members informing them of the proposal to carry out training on preventing fraud and corruption across the Authority. The training is being carried out to raise awareness and help prevent any potential fraudulent activity occurring.

**RESOLVED 2009/019**

That the report be noted

**IMPLICATIONS OF INTERNATIONAL FINANCIAL REPORTING STANDARDS**

Nigel Stevenson introduced the report which set out the implications for the authority of the introduction of International Financial Reporting Standards (IFRS).

**RESOLVED 2009/020**

1. That the implications for the Council of the introduction of International Financial Reporting Standards (IFRS) be noted and
2. That the progress being made on the introduction of the IFRS be noted

The meeting closed at 2:46 pm.

**CHAIR**