

**BROMSGROVE DISTRICT COUNCIL**

**MEETING OF THE AUDIT BOARD**

**MONDAY, 16TH MARCH 2009 AT 6.00 P.M.**

PRESENT: Councillors S. R. Peters (Chairman), D. Hancox, Mrs. C. M. McDonald, Mrs. C. J. Spencer (during Minute No's 41/08 to 46/08) and E. C. Tibby

Observers: Councillor G. N. Denaro (Portfolio Holder for Finance) and Councillor C. J. K. Wilson (Shadow Portfolio Holder for Value for Money)

Officers: Ms. J. Pickering and Ms. P. Ross

41/08 **APOLOGIES FOR ABSENCE**

An apology for absence was received from Councillor C. R. Scurrall.

42/08 **DECLARATIONS OF INTEREST**

No declarations of interest were received.

43/08 **MINUTES**

The minutes of the meeting of the Audit Board held on 15th December 2008 were submitted.

**RESOLVED** that the minutes be approved as a correct record.

44/08 **ANNUAL AUDIT AND INSPECTION LETTER 2007/2008**

The Chairman welcomed Joan Hill, Audit Manager and Jane Matheson, Performance Specialist with the Audit Commission. Jane Matheson presented the final version of the Annual Audit and Inspection Letter 2007/2008 following the release of the Comprehensive Performance Assessment (CPA) report to the Council from the Audit Commission.

On presenting the report Jane Matheson included an overall summary of the Audit Commission's assessment of the Council, drawing from information contained within the recent CPA, together with the findings from inspections undertaken since the last letter in 2008. The findings of the report included the demonstration of clear improvements in performance, strategic housing service provision, customer service and working with partners.

**RESOLVED** that the Annual Audit Inspection Letter for 2007/2008 be accepted.

45/08    **EXTERNAL AUDIT OPINION PLAN 2008/2009**

A copy of the Audit Commission's Audit Opinion Plan 2008/2009 was considered. Joan Hill, Audit Manager with the Audit Commission presented the report. The Plan set out work that the Audit Commission proposed to undertake in 2008/2009 in relation to the following specific risks which had been identified:

- Transfer of the payroll system
- Valuations of fixed assets in light of the current economic climate
- Introduction of the electronic ordering and invoicing system
- Methodology for identifying prepayments
- Policy for related parties arrangements

The Head of Financial Services responded to questions from Members and provided some background information on the transfer of the payroll system and the need for the Audit Commission to repeat their triennial review of Internal Audit as a result of the change of personnel within the service area.

The work by the Audit Commission would enable a robust opinion to be made across all the internal control and accounting arrangements that the Council had in place.

**RESOLVED** that the Audit Commission's 2008/2009 Opinion Plan as set out in Appendix A to the report be noted and agreed.

46/08    **AUDIT FEES LETTER**

Joan Hill, Audit Manager with the Audit Commission presented the Annual audit fee 2009/2010 letter. The letter confirmed the audit work that the Audit Commission proposed to undertake during the 2009/2010 financial year.

**RESOLVED** that the Annual audit fee 2009/2010 be noted.

47/08    **RISK MANAGEMENT TRACKER - QUARTER 3**

Members considered a report which presented an overview of the current progress in relation to Actions/Improvements as detailed in the Corporate and business area risk registers for the period 1st April to 31st December 2008. The year end prediction in relation to the number of actions/improvements that would be behind target as set out in the report was noted.

**RESOLVED** that the progress to date against the Corporate and all business area risk registers actions for the period 1st April to 31st December 2008, Quarter 3, be noted.

48/08    **INTERNAL AUDIT PERFORMANCE AND WORKLOAD - QUARTER 3**

Consideration was given to a report that provided a summary of the current performance and workload of the Internal Audit Section. The Head of Financial Services provided a number of updates on the current status to date

and informed Members of the work undertaken by Worcester City Council Audit Services.

**RESOLVED:**

- (a) that the current status and work completed on the 2008/2009 Audit Plan be noted and approved;
- (b) that the work completed by the Internal Audit Section between April 2008 and February 2009 be noted;
- (c) that it be noted that Internal Audit had not been involved in any allegations or investigations during the first three periods of 2008/2009;
- (d) that it be noted that the 2008/2009 performance figures will be presented to the meeting of the Audit Board in June 2009; and
- (e) that it be noted that there are no new or updated amendments to the Section's standard documentation.

49/08 **INTERNAL AUDIT PLAN 2009/2010**

Consideration was given to the Council's Internal Audit Plan for 2009/2010. The Council was required under Regulation 6 of the Accounts and Audit Regulations 2003, as amended, to "maintain an adequate and effective system on internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control".

Members requested that the Head of Financial Services be tasked to present the following completed Audit Reviews to the Board:-

- Quarter 1 ICT Services (including Helpdesk)
- Quarter 2 Travel Concessions
- Quarter 3 Benefits
- Quarter 4 Car Parks

**RESOLVED** that the Internal Audit Plan for 2009/2010, as set out in the report be noted and approved.

The meeting closed at 7.27 p.m.

Chairman