

Meeting of the **AUDIT AND GOVERNANCE COMMITTEE** of the Teesdale District Council held at Teesdale House, Galgate, Barnard Castle on **Monday 28 JANUARY 2008 at 5.00 pm**

PRESENT:

District Council Representatives: Councillors DP Blackie, DAR Forster, MWL Hamilton, B Harrison and WHT Salvin (Chair)

Independent Members:
DW Armstrong and KM Mitchell

Officers in Attendance:
J Kellett (Chief Finance Officer), M Dennis (Chief Governance Officer), A Barber (Audit Manager), DM Roberts (Democratic Services Manager)

Also in attendance: R Walker and S Reeve, Audit Commission

18 ITEMS OF URGENT BUSINESS

There were no items of urgent business.

19 DECLARATIONS OF INTEREST

There were no declarations of interest from members.

20 MINUTES

The minutes of the meeting held on 26 November 2007 were confirmed as a correct record and signed by the Chair.

21 INTERNAL AUDIT PLAN UPDATE

The Audit Manager submitted a report providing details of progress made against the revised plan of internal audit work for the remainder of 2007/08. Two audit reports were presented (Car Parks and Concessionary Travel) and it was noted that a further two reports had reached the final approval stage. Members were then afforded an opportunity to comment and ask questions with regard to the two finalised reports. It was noted that, in the event of recommendations in the action plan not being implemented, an escalation procedure was in place. With regard to the plan for 2008/09, the Audit Manager referred to the possibility of Local Government Reorganisation placing additional demands on his team and suggested that 'core' matters should be prioritised and that a reasonable level of contingency be built in to allow for possible LGR work.

RESOLVED:

a. That the final audit reports on Car Parks and Concessionary Travel be received; that progress on the current audit plan be noted and that the Audit Manager considers the best mechanism for making Lead Members aware of audit reports.

b. That the Audit Manager's proposed approach to preparing the 2008/09 audit plan, as referred to above, be agreed.

22 RISK MANAGEMENT ANNUAL REPORT

The Audit Manager submitted a report, on behalf of the Risk Management Group, providing an update on the arrangements in place to manage the corporate risks to the Authority and to provide assurance that these risks were being considered and managed. It was noted that the revised Risk Management Strategy was to be submitted to the next meeting of the Executive Committee.

RESOLVED:

a. That the current position with regard to corporate risks and the arrangements made to manage those risks be noted'.

b. That the revised Risk Management Strategy, including the Council's risk appetite, as appended to the report, be noted.

23 UPDATE ON THE REVISION OF THE FRAUD AND CORRUPTION POLICY

The Audit Manager reported that the revised fraud and corruption policy had been drafted and would be submitted to the next meeting of the Executive Committee for approval.

RESOLVED:

That the information be noted.

24 CLOSURE OF ACCOUNTS TIMETABLE 2007/08

The Chief Finance Officer submitted the current Closure of Accounts timetable, which was essential to the production of an accurate and timely statement of accounts. The previous year's timetable had been reviewed and amended and this year's timetable subsequently updated to reflect lessons learned as well as changes to accounting requirements. The timetable would also be regularly reviewed and updated during the closure process.

RESOLVED:

That the Closure of Accounts timetable, as appended to the report, be agreed.

25 CORPORATE RISK REGISTER – UPDATE ON VERY HIGH LEVEL RISKS (Minutes 8b. and 14)

The Chief Finance Officer submitted a report, pursuant to the above minutes, reviewing those four corporate risks identified in the risk register as very high in respect of either probability or impact. The current position in respect of each risk was set out in an appendix to the report and members were afforded an opportunity to comment and ask questions.

RESOLVED:

That the position in relation to the corporate risks identified in the appendix to the report be noted.

26 BUDGETARY CONTROL UPDATE

In response to a comment in the draft final accounts memorandum circulated at the last meeting of the Committee, the Chief Finance Officer presented a report outlining that part of the Council's budget management framework which required budget managers to provide details of expected outturn for income and expenditure and any variances against budget each month. This information was used by the accountancy team to produce reports to Corporate Management Team and to update the Medium Term Financial Plan for the Executive Committee; an appendix to the report provided details of the performance of individual managers in completing returns.

RESOLVED:

That the rate of return of budgetary control information for the quarter ended 31 December 2007 be noted.

27 LOCAL CODE OF CORPORATE GOVERNANCE/NEW GOVERNANCE FRAMEWORK

The Chief Governance Officer gave an update, by way of a presentation, on '*Delivering Good Governance*'. It was noted that a draft of the revised Local Code of Corporate Governance and Annual Governance Statement should be available for the next meeting of the Committee. The Chief Governance Officer agreed to provide an 'aide-memoire' on the subject of corporate governance for members prior to the Comprehensive Performance Assessment inspection (3 to 7 March 2008). It was noted that many corporate documents were available on the Council's website, although hard copies could be provided on request.

RESOLVED:

That the presentation be received and that the information be noted.

24 MEMORANDUM TO FINAL ACCOUNTS 2006/07(Minute 17)

The Audit Commission representatives confirmed that, pursuant to the above minute, the action plan referred to in the memorandum had been agreed.

RESOLVED:

That the information be noted.

The meeting closed at 6.35pm

CHAIRMAN