

AUDIT COMMITTEE

TUESDAY, 23 JUNE 2009

PRESENT:- Councillors Michael Dickinson (Chair), Des Moffatt (Vice-Chair), Steve Allsopp and Eric Shaw

Apologies for absence were received from Councillors Nick Martin, Mary Martin and Peter Stoddart.

1. Declarations of Interest

The Chair reminded Members of the need to declare any known interests in any matters to be considered at the meeting.

2. Member Training - Role of External Audit

Peter Smith of the Audit Commission made a presentation to the meeting on the role of the Commission in its capacity as the Council's External Auditors. He identified the individual members of the Council Audit team and outlined the Audit Commission structure, placing the team in the context of the Commission's designated Swindon, Wiltshire and Gloucestershire Operational area and its links with the Audit Commission through the Southern and South West Sub Regional offices. Mr Smith provided a detailed commentary on the various activities carried out by the Audit Team in support of the Council, and in response to work mandated nationally by the Audit Commission and Central Government, and summarised the communication links between the Commission and the Council, its partner organisations and the local community.

On the conclusion of his presentation, members were given the opportunity to put questions to Mr Smith on the role of the Audit Commission and its relationship with the Council. Issues raised by members included:

- value for money and outcomes and the Audit Commission's approach to use of resources assessment
- the Audit Commission's good governance survey
- payment by results and the commissioning of services by PCTs
- connecting people, connecting places and the timetable for the review of achievements against stated objectives

Mr Smith also submitted to the meeting the Audit Commission's Annual Fee letter, setting out the framework of indicative fees for work to be undertaken at Swindon Borough Council in 2009/10.

Resolved – (1) That Mr. Smith be thanked for attending the meeting and for his informative presentation on the role of the Audit Commission in its capacity as the Council's External Auditors.

(2) That copies of the completed Area Assessment be made available to the Chair and Vice-Chair to determine whether issues raised need to be considered in detail by the Audit Committee.

(3) That the Audit Commission's Annual Fee letter, setting out the framework

of indicative fees for work to be undertaken at Swindon Borough Council in 2009/10, be noted.

3. Public Question Time

No questions were asked under Standing Order 18.

4. Minutes

Resolved - That the minutes of the meeting held on 21st April 2009 be confirmed and signed.

5. Exempt Items - Exclusion of Press and Public

That, in accordance with Section 100A(4) of the Local Government Act 1972, the public be excluded during the discussion of the matters referred to in the items listed below on the grounds that they involve the likely disclosure of exempt information as defined in the respective paragraphs of Part 1 of Schedule 12A of the Act.

<u>Item No.</u>	<u>Paragraph No.</u>	<u>Minute No.</u>
13 - 14	7	12 - 13

6. Data Quality Update

Further to Minute 52, the Committee received a report on actions taken to respond to recommendations made in the Audit Commission's Data Quality report, published in March 2009.

Resolved – (1) That the report, and the actions being taken to respond to the recommendations in the Audit Commission's Data Quality report, be noted and welcomed.

(2) That this Committee recognises the importance of data quality, and the duty of responsibility on all members of staff to maintain standards of data quality, and recommends that the Director of Human Resources & Change be consulted on the possibility of incorporating the assessment of data quality into the staff performance review process.

7. Update on Swindon Borough Council's Connect to Government Connect

Further to Minute 44 2008/9, the Committee received a report providing an update in relation to the Council's connection to Government Connect, the central government programme intended to connect all local authorities and central government by means of a secure network. The update followed the second submission for assessment by a Department of Works and Pensions assessor of the Council's statement of its compliance with the Code of Connection (CoCO), the 91 security controls defined by GCHQ. The officers outlined the major risk areas around the project but indicated that they remained confident that the projected implementation date of 7 September could be achieved.

Resolved – (1) That the report and progress towards achieving the implementation date for Government Connect be noted.

(2) That members be advised of the outcome of the CoCO submission assessments and of any potential delays to the programme immediately they are recognised.

8. Statement of Accounts 2008/09

The Director of Finance submitted a report introducing the pre-audited Statement of Accounts for the Financial Year 2008/9 for the Committee's consideration and approval, providing an overview of the Council's financial position and outlining a number of key balance sheet issues.

Resolved – (1) That the pre-audited Statement of Accounts for the Financial year 2008/9 be approved.

(2) That the Director of Finance and his team be thanked for their hard work in producing the Statement of Accounts 2008/9 within a changing accounting environment and what remains a very challenging timeframe.

9. Annual Governance Statement

The Head of Internal Audit submitted a report introducing the Council's draft Annual Governance Statement 2008/9 for consideration and approval. It was noted that the Annual Governance Statement is a formal statement of the Council's governance framework and therefore constitutes a key source of assurance for the Audit Committee. It was noted that a number of "key areas of focus" had been identified during the course of the governance review and the statement also provided a summary of the key elements of each of these.

Resolved – (1) That the Council's Annual Governance Statement be approved, to be signed off by the Leader of the Council and the Chief Executive.

(2) That the Chair meet with the Chair of the Scrutiny Committee to consider the key areas of focus identified in the Annual Statement and determine whether progress in relation to each of these should be monitored by the Scrutiny Committee or an appropriate Overview and Scrutiny Committee or by the Audit Committee.

10. Potential role for independent members on the Audit Committee

Further to Minute 9 2008/9, the Committee received a report on the possible appointment of independent members to the Audit Committee. The Committee had last considered this issue at its meeting on 24th June 2008, when it had determined not to pursue the matter at that time but to review the position annually.

Resolved – That the report be noted and that no action be taken in relation to the appointment of independent members to serve on the Council's Audit Committee.

11. Audit Committee: Annual Report for the year 2008/09

The Head of Internal Audit submitted the Audit Committee's Annual Report 2008/9, providing a summary of the work undertaken by the Committee, and its various activities and accomplishments, over the period of the last Municipal Year.

Resolved – That the report be noted.

12. Internal Audit's Annual Report for the year 2008/09

The Head of Internal Audit submitted a report introducing Internal Audit's Annual

report for 2008/9. The Annual report provided a summary of the work completed by Swindon Internal Audit Services for 2008/9 and set out the Head of Internal Audit's overall opinion of the Council's system of internal control.

Resolved – That the Head of Internal Audit's Annual Report for 2008/9 be noted and that the Internal Audit team be thanked for their hard work over the course of the year.

13.

Head of Internal Audit Update

The Committee received a report summarising the main issues arising from the Internal Audit reports finalised since the last meeting of the Committee, and advising on the progress against the Internal Audit Plan. The Committee also received an update on the staffing situation within internal audit.

Resolved – (1) That the report be noted

(2) That a register be maintained of audit reports where the overall evaluation of risk in a particular service area is categorised as significant. That the register be considered at regular periods by this Committee to allow members to monitor compliance with Internal Audit recommendations.