

WAVERLEY BOROUGH COUNCIL

MINUTES OF THE AUDIT COMMITTEE – 23 SEPTEMBER 2008

SUBMITTED TO THE COUNCIL MEETING – 21 OCTOBER 2008

(To be read in conjunction with the Agenda for the Meeting)

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| * Cllr Nicholas Holder (Chairman) | * Cllr Mrs Diane James |
| * Cllr Stephen Mulliner (Vice-Chairman) | Cllr Ken Reed |
| Cllr Mike Causey | * Cllr Mrs Nerissa Warner-O'Neill |
| * Cllr Stephen Hill | |

* Present

12. MINUTES (Agenda Item 1)

RESOLVED that the Minutes of the Meeting held on 24 June 2008 be confirmed and signed.

13. APOLOGIES FOR ABSENCE (Agenda Item 2)

Apologies for absence were received from Cllr M Causey and Cllr K T Reed.

14. DISCLOSURE OF INTERESTS (Agenda Item 5)

Cllr Mrs D M James declared a personal interest in Agenda Item 6 regarding the implementation of ITIL because of her communication with the Chief Executive about monitoring of member emails by the IT Department.

PART I – RECOMMENDATIONS TO THE COUNCIL

There were no matters falling within this category.

PARTS II AND III – MATTERS OF REPORT

Background Papers

The background papers relating to the following report items in Parts II and III are as specified in the agenda for the Audit Committee.

Part II – Matters Reported in Detail for the Information of the Council

There were no matters falling within this category.

Part III – Brief Summaries of Other Matters Dealt With

15. ANNUAL GOVERNANCE REPORT 2007/2008 (Agenda Item 5; Appendix A)

Jamie Bewick and Paul Grady from the Audit Commission attended the meeting to present their Annual Governance Report for 2007/2008. Paul Grady, the District Auditor extended his congratulations to the Head of Finance and his team for the high standard of the Statement of Accounts which he reported had been trouble-free.

It was reported that an additional fee had been incurred for work undertaken by the Audit Commission responding to elector requests for investigations around the East Street Development and it was clarified in response to a question from a member of the Committee that this was within the remit of the external auditors' responsibility.

The Committee also received notification of changes to the Statement of Accounts since they were approved at the last meeting.

RESOLVED that

1. the Audit Commission's Annual Governance report for 2007/2008 be received; and
2. the changes to the draft Statement of Accounts for the financial year ended 31 March 2008 be noted.

16. PROGRESS REPORT - IMPLEMENTATION OF ITIL (Agenda Item 6; Appendix B)

The Head of Customer and Office Services outlined the measures that had been undertaken to progress the implementation of ITIL and informed the Committee that a further progress report would be presented to the next meeting of the Committee. It was also reported that an IT Code of Conduct for Members was currently being drafted to include some of the ITIL issues and that this would be progressed through the Standards Committee.

RESOLVED that

1. the progress made so far and the plans to facilitate the implementation of ITIL by the Head of Customer and Office Services be noted;
2. the Committee receives progress reports at its future meetings; and
3. a detailed project plan be presented to the Audit Committee in November 2008.

17. REVIEW OF THE INTERNAL AUDIT STRATEGY (Agenda Item 7; Appendix C)

The Committee received a revised version of Annexe 1 to the report which showed amendments to the Internal Audit Strategy as tracked changes. The Committee was concerned whether the Strategy was achievable given the multiple roles of the Head of Internal Audit and in particular the allocation of time to his Monitoring Officer duties and wished to give further consideration to this issue before endorsing the Strategy. It was clarified that in the current year there was contingency available to help deliver the Internal Audit Plan and that this could be used to allocate more work to the audit contractors.

The Committee agreed that it was important to fully understand the role of the Audit Committee to be able to determine what its involvement and responsibility for the strategy should include, and that it is important to consider whether resources allocated to it were adequate.

RESOLVED that

1. the item be deferred and the Chairman and Vice-Chairman be authorised to meet with the Head of Internal Audit to discuss the Strategy in greater detail in advance of the next meeting; and
 2. that the Strategy be reconsidered at the next meeting.
18. UPDATE TO HEAD OF INTERNAL AUDIT'S ANNUAL REPORT - 2007/08 INTERNAL AUDIT REPORTS (Agenda Item 8; Appendix D)

RESOLVED that the update report be noted.

19. AUDIT MANUAL (Agenda Item 9)

The Head of Internal Audit presented the revised version of the Audit Manual to the Committee. The Committee was informed that a copy of the Manual would be placed in the Members' Room and that it would be kept under constant review.

The meeting commenced at 7.00 p.m. and concluded at 7.54 p.m.

Chairman