

<p>5</p>	<p>Minutes</p> <p>The minutes of the Audit Committee meeting on 17 April 2008 were agreed as a correct record of proceedings.</p>	<p>Eve Harris</p>
<p>6</p>	<p>Audit and Inspection Plan 2008-2009</p> <p>The Audit Manager for the Audit Commission introduced himself to the Committee and outlined the audit and inspection plan for 2008-2009.</p> <p>He explained that when auditors prepared audit plans they relied on their previous audit knowledge of the organisation and as this would be the first time the team audited the Council they currently had little knowledge of the Council. To make up for this the audit team had held meetings with the Leader of the Council, the Chief Executive, the Portfolio Holder for Finance and other key Officers to help try and increase some background knowledge that would be needed to devise the forthcoming plan.</p> <p>It was noted that the Audit Commission would not start their audits until the current Councils external auditors Grant Thornton had completed their plan for 2007-2008.</p> <p>The Audit Manger explained that it was too early to carry out a risk assessment and this would be carried out later in the year when Grant Thornton had completed identifying issues from the current year.</p> <p>With regards the audit on value for money and use of resources the Audit Manager explained that the fee included in the plan covered the work being carried out by Grant Thornton.</p> <p>The piece of work that would shortly be carried out was the audit into the Councils governance arrangements, which would include a questionnaire being circulated to all Members and Senior Officers. The questionnaire was a form of self assessment. Once the questionnaires had been completed interviews would be carried out with key Members and Officers and a workshop would be held to discuss the outcomes. An action plan would then be devised which would be put in place to strengthen the governance arrangements of the Council.</p> <p>It was noted that the Audit Commission held a database on the results of the self assessment and could be used to benchmark the Council against other authorities.</p> <p>Members queried whether there would be a difference in the style of the auditing between the current external auditors Grant Thornton and the Audit Commission. The Audit Manager explained that both organisations had to work to the same level of standard,</p>	

<p>6a</p>	<p>which meant the Council should not see a difference in the approach in the way the audit was carried out.</p> <p>Members asked that if the Audit Commission would continue the approach of the current auditors who had expressed that Members were able to contact them if they had any queries. The Audit Manager explained that he was happy to attend meetings when he was invited and that Members could contact him outside the meetings.</p> <p>Members of the Committee noted the report.</p> <p><u>Preparations for an Improvement Group</u></p> <p>The Chief Executive introduced the report. He explained that the need for an Improvement Group had been raised at the previous meeting of the Committee.</p> <p>Councillor Whitmarsh proposed that the Chair should be nominated to sit on the Improvement Board and the Vice Chair should be appointed substitute, this was seconded by Councillor Unwin.</p> <p>Members expressed that they did not want to see duplications of work between the Committees and Boards.</p> <p>RESOLVED The Audit Committee noted the audit and inspection plan.</p> <p>The Committee endorsed the implementation of the Improvement Group and asked Cabinet to consider that the Chair of the Committee and the Chair thereafter be appointed to the Board along with the Vice Chair as their substitute.</p>	<p>David Thomson</p>
<p>7</p>	<p>Use of Resources</p> <p>The Corporate Finance Manager introduced the report; he explained that at the previous meeting of the Committee, Members had agreed that the Council should start work on preparing for the new key lines of enquiry rather than focusing its efforts on the previous year's results.</p> <p>The Corporate Finance Manager informed Members that he had some alterations to make to the table to make it clearer to read. He noted that Members had agreed that an update report should be brought to the Committee once a quarter highlighting those key lines of enquiries that were showing as amber and red for level three.</p> <p>Members queried what information they needed to see on the update table. The Chair explained that she wanted to have a discussion with the Corporate Finance Manager and the Portfolio Holder for Finance to help her understand key lines of enquiries in</p>	<p>Peter McKenzie</p>

	<p>more depth.</p> <p>The Audit Manager explained that he felt Members should be reviewing those key lines of enquiries that were still showing amber or red for level two before concentrating on level three.</p> <p>The Corporate Finance Manager agreed to include the key lines of enquiry for levels two and three that were being highlighted as amber and red.</p> <p>RESOLVED It was agreed that the Corporate Finance Manager would bring a report to the next meeting which included the level two and level three of the key lines of enquiry that were showing as amber or red for 2008.</p>	<p>Peter McKenzie</p>
<p>8</p>	<p>Finance Restructure 2008</p> <p>The Corporate Finance Manager informed Members that there were two main Finance Officers in Mendip who had carried out dual roles and part of their role used to be the monitoring of certain aspects of the Capita Contract. With other projects that were coming forward the strategic finance section of the job had not been carried out as fully as it should have been. The restructure that had taken place included the revenues and benefits contract monitoring side being given to the Partnership and Procurement Manager, which freed up a few days a week for the Finance Officers.</p> <p>The restructure had taken place over a month previously and officers were already seeing the benefits with more time to work on other projects.</p> <p>Members asked whether the risks of the restructure had been taken into consideration and document in case the auditors should wish to see evidence. The Chief Executive explained that the risks had been assessed and a report had been taken to Corporate Management which would address the audit trail.</p> <p>RESOLVED The Committee noted the report.</p>	
<p>9</p>	<p>Annual Governance Statement</p> <p>The Corporate Finance Manager introduced the report. He explained that he had researched other local authorities that had been highlighted as having good practice in their local code of corporate governance, to help with the drafting of the Councils report.</p> <p>Members asked that the code be written in plain English for all to understand.</p>	

	RESOLVED The Committee noted the report.	
10	Urgent Business The Corporate Finance Manager reminded Councillors Cockroft and Halfhide that they were invited to attend the South West Audit Partnership meeting on 24 June 2008.	

The meeting closed at approximately 6.05 pm.