

Audit Committee



Date	Thursday 3 April 2008
Venue	Kirkham Council Chamber, Kirkham
Committee members	Councillor John Singleton (Chairman) Councillor Keith Hyde (Vice-Chairman) Kathleen Harper, Elizabeth Oades, , Louis Rigby, Paul Rigby, Fabian Wilson (for John Coombes) and David Chedd (for Paul Hayhurst)
Other Councillors	
Officers	Phillip Woodward, Bernard Hayes, Ian Curtis, Savile Sykes and Tracy Scholes Mike Tye from the Audit Commission was also present at the meeting

1. Declarations of interest

Members were reminded that any personal/prejudicial interests should be declared as required by the Council's Code of Conduct adopted in accordance with the Local Government Act 2000.

2. Confirmation of minutes

RESOLVED: To approve the minutes of the Audit Committee meeting held on 28 February 2008 as a correct record for signature by the chairman.

3. Substitute members

The following substitutions were reported under council procedure rule 22.3:

Councillor Fabian Craig-Wilson for Councillor John Coombes

Councillor David Chedd for Councillor Paul Hayhurst

4. Annual Audit and Inspection Letter

Mike Tye (Audit Commission) presented the Annual Audit Letter issued annually by the Council's auditors which outlined the Council's performance during the previous year.

It was outlined that the letter reflected performance for 2006/07 and Mr. Tye reported that overall the letter reflected a good performance picture for the council. There were improved outcomes across a number of services, although performance was variable in different services.

Mr. Tye reported the council made a positive contribution to the Borough through its partnership working. Partnership working with other councils was also brining about improvements in services. Value for money for the services provided by the council was good and scrutiny was also noted to be robust.

The council was recommended to take a number of actions to improve its performance including developing an approach to Comprehensive Area Assessment which will be introduced in the autumn of 2009.

Questions were asked by Councillor Mrs. E. A. Oades who commented that the council's financial position with respect to the 2008/09 budget setting process was not reflected in the letter. Mr. Tye reported that this would be a feature of the annual audit letter issued early in 2009 by the council's new auditors, KPMG, appointed by the Audit Commission to oversee the council. Councillors Mrs. Oades also raised a question regarding extra resources required for the planning service. Mr. Woodward, Chief Executive, reported that performance and capacity issues in the development control section had been partly addressed during the course of the year and a recent report issued by the Planning Advisory Service had recommended further improvements which would be considered by the Cabinet.

The committee RESOLVED To receive the presentation of the Audit Commission, with thanks to Mr. Tye, and to request the Chief Executive and Management Team to take the action outlined on page 14 of the report and report back to the Audit Committee on intended action and implementation dates.

5. Internal Audit Plan 2008/09

Savile Sykes (Head of Internal Audit) presented the report that outlined the Internal Audit Plan for the financial year 2008/09 and described the methodology used in its production. Mr. Sykes explained it was important to have a structured approach to audit work and the plan provided this framework.

It was outlined that the shared services agenda required a change of approach but it remained the council's responsibility to audit key systems of control, including those run by others.

A question was raised about whether the allocation of audit days to the review the council's purchasing cards was sufficient and Mr. Sykes indicated that the days allocated, combined with current controls, were sufficient.

The committee RESOLVED to approve the Annual Internal Audit Plan 2008-09.

6. Code of Corporate Governance

Ian Curtis, the Council's Head of Legal Services, requested the committee to approve the Code of Corporate Governance as a framework to work towards. Members expressed concerns about the lateness of the report and Mr. Curtis explained that this was because as he was still drafting the document earlier in that week and apologised for its delay. In view of this, the Committee felt that it needed further time at a future meeting to debate its detail.

It was explained that a sound system of corporate governance underpinned the achievement of all of the council's strategic objectives and was a significant element of the Comprehensive Performance Assessment (CPA) and Use of Resources assessment regimes, which helped to compare performance with other councils.

In 2007 CIPFA and SOLACE issued "Good Governance in Local Government: A Framework", which urged councils to:

- develop and maintain an up-to-date local code of governance consistent with the core principles set out in the Framework, including arrangements for ensuring its ongoing application and effectiveness;
- review their existing governance arrangements against this Framework;
- Prepare governance statements each year to report publicly on how they comply with their own codes including how effective their governance arrangements are, and on any planned changes.

The local Code of Corporate Governance presented by Mr. Curtis showed how Fylde Borough Council would comply with this new framework.

Following consideration the committee RESOLVED- To approve the local code of governance as a framework to work towards and seek an updated report at the next meeting of the committee.