

Audit Committee



Date	Thursday 29 th January 2009
Venue	Town Hall, St. Annes
Committee members	Councillor John Singleton (Chairman) Councillor Linda Nulty (Vice Chairman) Councillors Ben Aitken, Fabian Craig Wilson, Cheryl Little, Keith Hyde, Elizabeth Oades, Louis Rigby
Other Councillors	
Officers	Allan Oldfield, Savile Sykes, Andrew Wilsdon, Hazel Wood
Other Attendees	Leanne Burnett (KPMG), Richard Foster (KPMG)

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 30 September 2008 as a correct record for signature by the chairman.

3. Substitute members

No substitutions were reported.

3A. Data Quality Audit

Leanne Burnett and Richard Foster from KPMG, the Council's external auditors introduced the final report on the Data Quality arrangements that are in place at Fylde Council after carrying out the inspection.

RESOLVED:

That the committee recognise and commend the improved status of the Data Quality arrangements at Fylde from 'adequate' to 'performing well'.

That the committee accepts the recommendations on page 6 of the KPMG report and instructs the Director of Performance and Business Improvement to incorporate the actions into an Action Plan with clear time scales and responsibility for delivery.

That KPMG report back to the Audit committee at the June meeting with further updates.

4. Strategic Risk 2008-2009

Andrew Wilsdon presented a report which summarised the work undertaken in completing the Strategic Risk Actions contained in the 2008/2009 Risk Register.

RESOLVED:

That the committee notes the progress made on completing the Strategic Risk Actions for 2008-2009.

5. Internal Audit interim report 2008-09

Savile Sykes (Head of internal Audit) reported that at the Audit committee meeting in April 2008 the committee endorsed the Internal Audit Annual Plan for 2008/09. Mr Sykes presented the interim report which summarised the work undertaken by internal audit from April to December 2008 and the performance information for the same period. For those systems reviewed to 31st December the average assurance score was 2.9 on the scale of 1 to 5 equating to moderate assurance. Nine important internal control weaknesses were brought to the attention of management during the first half of the year. The overall percentage of agreed recommendations that were implemented by managers was 82%. Mr Sykes also outlined factors affecting the achievement of the annual plan and set out a number of amendments to reflect the current situation.

Following discussion the Committee RESOLVED:

1. To note the Internal Audit Interim Report.
2. To note the position with regard to the Internal Audit Plan and the amendments to it.
3. That the Chairman of the Audit Committee writes a letter to the Chief Executive expressing the committee's extreme disappointment that the high risk issues in relation to Treasury Management had not been addressed although they were long outstanding and that the implementation rate for agreed recommendations had failed to reach the Committee's 95% target.

6. Review of Financial Planning and Management

Richard Foster from KPMG reported to the committee the draft terms of reference for their review of Financial Planning and Management. These took into account KPMG's review of the authority's Medium Term Financial Strategy, which underpinned the work proposed.

RESOLVED: That the committee notes the terms of reference for the review of Financial Planning and Management and that KPMG report back to the committee in June.

7. Corporate Governance - Improvement Plan

Savile Sykes (Head of internal Audit) advised the committee that they were charged with adopting the Annual Governance Statement and monitoring the progress in fulfilling the Corporate Governance Improvement Plan. Mr Sykes updated the committee on the present position of the Improvement plan including the 13 actions to secure improved corporate governance. Nine improvements had been completed in full and of the remaining four, two were currently in progress. Revised implementation dates had been established for all four actions not yet completed.

Following discussion the Committee RESOLVED:

1. To record their disappointment with regard to the latest position on the outstanding items currently included in the Corporate Governance Improvement Plan 2008/09.
2. That the committee request all outstanding items to be addressed urgently and that the Chief Executive to report back at the Audit committee's next meeting with an update.

At the conclusion of the meeting members asked that the Improvement plan be formatted to black and white rather than coloured copies previously received.

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