

NOTTINGHAM CITY COUNCIL

AUDIT COMMITTEE

MINUTES

of meeting held on **17 DECEMBER 2010** at

Loxley House from 10.02 am to 12.07 pm

Councillor Williams	(Chair)
Councillor Aslam	(Vice-Chair)
Councillor Culley	(substitute for Councillor Price)
Councillor Dewinton	(minutes 37 – 41 inclusive)
Councillor Edwards	
Councillor Griggs	
Councillor Long	
Councillor Parbutt	
Councillor Price	

indicates present at meeting

Also in attendance

Simon Burton	- Corporate Performance and Quality Officer)
Theresa Channell	- Senior Finance Manager)
Carole Mills-Evans	- Deputy Chief Executive/Corporate Director for Resources) Resources
	Resources)
Rachel Mottram	- Committee Administrator)
Shail Shah	- Head of Internal Audit)
Paul Hutchings	- Audit Manager) Audit
Sue Sunderland	- District Auditor) Commission

37 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Griggs, Parbutt and Price.

38 DECLARATIONS OF INTERESTS

No declarations of interests were made.

39 MINUTES

RESOLVED that the minutes of the last meeting held on 26 November 2010, copies of which had been circulated, be confirmed and signed by the Chair, subject to amendments shown in italics as set out below to resolutions 1, 2 and 3 of minute 30:

RESOLVED

- (1) that future Internal Audit reviews include *checking the existence of a risk management register and consider whether to check the risk register in detail;***
- (2) that the service responses detailing the amount of progress made within the last twelve months be noted *and that concerns over the Housing Benefit response on a lack of a current risk register be addressed;***
- (3) that all future Internal Audit reports presented to Audit Committee *are presented alongside a service response from the relevant Service Manager to show actions taken against the recommendations.***

40 PROGRESS AGAINST ACTIONS FROM PREVIOUS MEETINGS – VERBAL UPDATE

Items discussed at previous meetings had been added to the work programme that was due to be considered later on the agenda.

RESOLVED that the information be noted.

41 AUDIT COMMISSION ANNUAL AUDIT LETTER (AAL) 2009/10

Consideration was given to the annual audit letter 2009/10 and a report of the Deputy Chief Executive/Corporate Director for Resources, copies of which had been circulated.

(a) AAL 2009/10

The District Auditor advised that the Annual Audit Letter was sent to all councillors to alert them to the findings/recommendations of the audit.

(b) Report of the Deputy Chief Executive/Corporate Director for Resources

The Deputy Chief Executive/Corporate Director for Resources advised that action 5.1 was due for completion by 31 December 2010.

RESOLVED

- (1) that the Audit Commission's findings reported in the AAL be noted;**
- (2) that the City Council's action plan to address the recommendations within the AAL be noted and endorsed and outcomes be reported to the Committee on a quarterly or six monthly basis;**
- (3) that an example of the new standard integrated reporting be provided to a future meeting of the Committee;**
- (4) that the Council's responses to the recommendations be published alongside the Annual Audit Letter on the Audit Commission's website.**

42 ANNUAL GOVERNANCE REPORT – BRIDGE ESTATE

Consideration was given to reports of the District Auditor and Deputy Chief Executive/Corporate Director for Resources, copies of which had been circulated.

RESOLVED

- (1) that the report of the District Auditor be noted;**
- (2) that the final version of the Bridge Estate Statement of Accounts for the financial year 2009/10, Appendix A to the report, be approved;**
- (3) that the Action Plan for Trustees of Bridge Estate for 2010/11, Appendix B to the report, be approved and referred to City Council for endorsement; subject to an amendment to reference R1, to state that it is meetings of the Charities Committee in June, August and November 2011 and not the Audit Committee;**
- (4) that it be recommended to City Council that a Charities Committee be established for the new municipal year.**

Councillor Edwards requested that his vote against resolution 3 above be recorded.

43 STRATEGIC RISK REGISTER (SRR) – QUARTER 2 2010/11 UPDATE

Consideration was given to a report of the Deputy Chief Executive/Corporate Director for Resources, copies of which had been circulated, that provided the Quarter 2 strategic risk management focussed on the progress made in reducing threat levels of each strategic risk.

RESOLVED

- (1) that the following be noted:**
 - (i) the progress on reducing the seriousness of the Council's strategic risks as reflected by their current threat levels and Direction of Travel as Table 1 and Appendix 1 to the report;**
 - (ii) the results of the review of the SRR by the Corporate Leadership Team and the delegation of a strategic risk to the corresponding Corporate Directorate Risk Register and the revision of the former Strategic Risk SR12 – Attainment, in light of observations made by the Audit Committee at its 24 September meeting as Table 2 in the report;**
 - (iii) the assessment of the impact of the change of government and associated policy, as Appendix 2 to the report;**
 - (iv) the addition of a new strategic risk, SR26 – Failure to support Nottingham citizens and communities to cope with welfare reforms and consider the draft RMAP included as Appendix 3 to the report;**

- (v) the RMAP for SR3 – Failure to mitigate the impact of the economic climate on Nottingham City and its citizens to satisfy themselves that it is being effectively risk managed, as Appendix 4 to the report;**
- (2) that the updated Risk Management Framework, as Table 4 and Appendix 5 to the report, be approved;**
- (3) that SR22 – Failure to achieve national policy requirements and targets for ‘Putting People First’ and an example of risk management embedded within service management plans be included within the SRR Q3 2010/11 update.**

44 AUDIT COMMITTEE WORK PROGRAMME 2010/11 UPDATE

Consideration was given to a report of the Deputy Chief Executive/Corporate Director for Resources, copies of which had been circulated.

RESOLVED

- (1) that the updated 2010/11 programme be endorsed and the provisional 2011/12 programme as set out at Appendix 1 to the report be noted;**
- (2) to cancel the April 2011 meeting due to the clash with the recently announced bank holiday and for items due to be considered at that meeting to be added to the next meeting’s agenda**