

The **AUDIT AND STANDARDS COMMITTEE** met at **WARWICK** on the **28th May 2009**.

**Present:** -

**Independent Members**

John Bridgeman CBE (Chair)  
Rob Jeanes  
Bob Meacham OBE  
Mark Magowan

**County Councillors**

Sarah Boad  
Les Caborn  
Mick Jones  
Tim Naylor  
John Vereker CBE

**Officers**

David Carter Strategic Director Customers Workforce and Governance  
David Clarke, Strategic Director Resources  
Greta Needham, Head of Law and Governance  
Garry Rollason, Audit and Risk Manager  
John Wright, Committee Manager

**Also present:**

Jennifer Gilmore, Audit Commission  
Chris Leeland, Audit Commission  
Tony Parkes, Audit Commission.

**1. General**

**(1) Apologies for absence**

No apologies for absence were received

**(2) Members' Disclosures of Personal and Prejudicial Interests**

Councillor John Vereker declared a personal interest in any matters relating to the investigation of the Atherstone Fire as he was a member of the Police Authority.

**(3) Minutes of the Audit and Standards Committee meeting held on 24<sup>th</sup> February 2009.**

**Resolved** that the minutes of the meeting held on 24<sup>th</sup> February 2009 be approved and signed by the Chair as a correct record subject to the following amendments

Heading replace "2008" with "2009"  
Minute 12 delete "8th June 2009"

#### **(4) Matters Arising.**

##### **Minute 2 Standards Board For England Bulletin 41**

Members were informed that Rossendale MBC had recently received the Local Government Chronicle Award for standards performance and officers would be investigating what lessons could be learnt from that Council for this authority. Members were reminded that the Standards Committees of District Councils were often more active in dealing with complaints and investigations as they had responsibility for investigating issues arising from parish councils.

##### **Minute 4 Annual Report of the Committee**

Members were informed that a revised draft of the annual report would be circulated to them for comments later in the day.

#### **2. Standards Board for England – Bulletins No 42 and 43**

The Committee considered the report of the Strategic Director of Performance and Development on the content of the Standards Board Bulletins No 42 and 43.

Members enquired whether the Independent Members of the Committee were covered by the authority's indemnification arrangements. The Strategic Director Customers Workforce and Governance undertook to investigate and to confirm to members that they were indemnified.

Members also enquired whether the extension of the code of conduct to include conduct in a private capacity had come in to force and were informed that it is the government's intention that the change would become operational when the new code of conduct came in to force. There was still no indication from the government as to when the new would become operative.

**Resolved** that the content of the Standards Board Bulletins No 42 and 43 be noted.

#### **AUDIT ITEMS**

#### **3. Annual Audit and Inspection Letter**

The Committee considered the Audit Commission annual audit letter for 2007-2008.

Jennifer Gilmore and Tony Parkes from the Audit Commission gave a presentation on the contents of the letter. The Committee was informed that:-

- The Council had a three star status
- The Council provided good value for money and performed strongly on the Use of Resources
- The Council was high performing and continuing to improve well
- The Council was delivering improving outcomes across priority areas
- Housing support services for vulnerable people was delivering better value for money

- Weaker services such as adult social care had improved
- Support people had moved from a poor rating to fair
- Targeted intervention had improved educational attainment especially in northern Warwickshire
- Social care for children had been rated as very good by Ofsted
- Good partnership working had been done with the District councils to improve levels of recycling
- Targeted work had reduced road deaths
- Progress continued to be made in making services easier to reach for the public
- Work with the gypsy and traveller communities had been recognized as very good
- Equalities standards had yet to show any improvement but the Audit Commission were aware the council was working on it
- Performance indicators were showing a slowing of improvement but only in the more corporate areas rather than those affecting delivery of frontline services. This slowdown was not a serious failure and was more a case of indicators remaining static rather than improving.

Members were also informed of the recommendations made in the report

- Improving local governance models with partners
- Enhancing partnership working especially with health bodies
- Developing a strategic approach to addressing health inequalities
- Ensuring a robust approach to developing and improving the Fire and Rescue Services

Members welcomed the report and the acknowledgement of the areas of good and improving performance. The Committee was informed that the Strategic Director of Adult Health and Community Services would be responsible for addressing the strategic approach to health inequalities and enhancing partnership working with health bodies.

**Resolved** that the report be noted

#### **4. Audit Opinion Plans 2008/09**

The Committee considered the report of the Strategic Director, Resources on the Audit Commission's Audit Opinion Plans 2008/09 for the County Council and the Warwickshire Pension Fund.

Chris Leeland, Audit Commission reported on the work undertaken by the Audit Commission to satisfy their responsibilities under the Audit Commission Code of Practice. The report detailed the risks that had been identified and the timetable for the completion of the audit. Members asked questions about the risks that had been identified and the following points were made

- The fire fighter injury award – was paid differently subject to different accounting treatments in different authorities. There was need to understand how it is accounted for within Warwickshire
- Impact of Atherstone on Stour fire investigations – investigations were still being carried out by the Police and the Health and Safety Executive
- Impairment referred to a reduction in the value of assets

Members queried the quoted fee for the Audit Commissions work. Members felt that as the Council had been identified as a low risk authority and the Audit Commission had acknowledged that the good work being carried out by Internal Audit. The Committee was informed that the Audit Commission had a duty to carry out their work and had spent 446 days on audit work for the council in the previous year. Members requested a simple breakdown of time spent and the cost of work undertaken and the Audit Commission agreed to provide such a breakdown.

**Resolved** that the Audit Commission's Audit Opinion Plans for 2008/09 be noted

## **5. Annual Governance Statement**

The Committee considered the report of the Strategic Director, Customers, Workforce and Governance and the Strategic Director, Resources on the conclusions of a review of internal control as part of the overall process that fulfilled the Authority's statutory obligations to publish an Annual Governance Statement.

The Committee was informed that no significant governance issues had been highlighted. Seven matters were ongoing issues where, despite, progress, there remained scope for improvement and three new areas had been identified where the Council must continue to improve controls and performance. Following discussion members suggested that the ongoing monitoring by the committee of the recording of case files within Adult Social Care be included in the statement.

**Resolved** that the process of compiling the Annual Governance Statement and the content of the draft Statement be noted and the Cabinet be recommended to approve the draft Annual Governance Statement subject to the addition of reference to the need for ongoing monitoring of the standards of case files within Adult Social Care.

## **6. Internal Audit Strategy 2009/10**

The Committee considered the report of the Strategic Director, Customers, Workforce and Governance on the 2009/10 internal audit plan which set out a plan for the audit work which would be carried out during 2009/10.

Members were informed that there was a greater emphasis on provision of proactive advice work. The committee requested that a report be submitted to a future meeting of the committee on a comparison of the range of work carried out by audit teams in the authorities within our comparative family group.

Members enquired whether there was scope to increase the number of risk based audits. The committee was informed that the council had reduced the budget for internal audit for the forthcoming year. Initial discussions had taken place with the District and Borough Council's and with Coventry City Council about the possibility of a shared services agreement but there had been little interest in the idea to date.

**Resolved** that

- (1) the proposed internal audit strategy, including the audit terms of reference, be approved; and
- (2) a report be submitted to a future meeting of the committee on a comparison of the range of work carried out by audit teams in the authorities within our comparative family group.

## **7. Strategy for Implementing International Reporting Standards**

The Committee considered the report of the Strategic Director, Resources on plans for the implementation of International Financial Reporting Standards. The committee was informed that from 2010/2011 the Council's financial statements would have to be prepared in line with the new standard. The new standards had been introduced to ensure full comparability of financial reporting across sectors and globally. A project team had been established to manage the transition to the new reporting regime and CIPFA was expected to publish a code of practice in September.

**Resolved** that the report be noted

## **8. Audit and Standards Work Programme**

The Committee considered the report of the Strategic Director of Performance and Development on the work programme for the Committee.

**Resolved** that the report be noted;

## **9. Any Other Business**

The Chair made reference to a report on Case File Recording which had been circulated for members information by the Strategic Director of Adult, Health and Community Services. Members welcomed the report and requested that a further, more detailed report be submitted to the next meeting of the committee.

## **10. Future Meeting Dates**

To note future meeting dates to be held in Shire Hall at 10:00 a.m. as follows -  
21 September 2009.  
23 November 2009  
22 February 2010

## **11. Report Containing Confidential or Exempt Information**

**Resolved** that members of the public be excluded from the meeting for the following item on the grounds that their presence would involve the disclosure of confidential or exempt information as defined in paragraphs 1,2 and 7 of the Local Government Act 1972

## **12 Exempt minutes of the meeting held on 24<sup>th</sup> February 2009**

**Resolved** that the minutes of the meeting held on 24<sup>th</sup> February 2009 be approved and signed by the Chair as a correct record.

### **13. Internal Audit Annual Report**

The Committee considered the report of the Strategic Director Customers, Workforce and Governance which detailed the results of internal audit work carried out during 2008/9.

Members expressed their satisfaction with the work of the Audit Team, the review of effectiveness, the outcome of the audits and the follow up action taken.

**Resolved that**

- (1) the content of the Internal Audit Annual Report be noted; and
- (2) members of the public be readmitted to the meeting.

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Chair of Committee

The Committee rose at 12.10 p.m.