

**EAST DORSET DISTRICT COUNCIL**

**AUDIT COMMITTEE**

Minutes of the Meeting held on 29th September, 2009 at 7.30 p.m.

Present:

Councillor P. G. Bennett - Chairman  
Councillor Mrs A. Warman - Vice-Chairman

Present: Councillors P. G. Cuckston, R. C. Dudman, T. J. Palmer and M. G. Simper.

Also in attendance: Councillors Mrs B. T. Manuel and I. Monks, and Mr Stephen Christopher (Mazars) and Ms Sophie Trim (Audit Commission).

254. Apologies for Absence

An apology for absence was received from Councillor J. P. Holland.

255. Declarations of Interest

There were no declarations of interest made on this occasion.

256. Minutes

The Minutes of the meeting held on 1<sup>st</sup> September, 2009 were confirmed and signed as a correct record.

257. Presentations by the Public

There were no questions, petitions or deputations received on this occasion.

**DELEGATED BUSINESS**

258. External Auditors' Governance Report

The Chief Executive submitted a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'A' to these Minutes in the Minute Book.

Members received the report on the findings of the External Auditor on his annual audit of the Council's Statement of Accounts for 2008/09.

The External Auditor guided Members through the report and highlighted their work on the statement of accounts, which included the uncorrected misstatement, and this council's use of resources

**RESOLVED that the Head of Financial Services be authorised to sign the Letter of Representation set out in Appendix A to the Auditors' report.**

Voting: Unanimous

259. Reference Report from the Risk Management Working Party

The Chief Executive submitted a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'B' to

these Minutes in the Minute Book.

The Committee considered a request from the Risk Management Working Party on the appropriate level at which to set the risk tolerance line for the authority.

Members were of the view that the risk tolerance line should be set at a score of 10 as the system was comparatively new.

**RESOLVED that a risk appetite (risk tolerance line) for the authority to be set at a score of 10 on the risk scoring matrix.**

Voting: Unanimous

260. Audit Review of Treasury Management.

The Chief Executive submitted a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'C' to these Minutes in the Minute Book.

Members received the report on the findings of the Internal Auditor following the review of the systems and controls in place for the administration of the authority's Treasury Management arrangements.

**RESOLVED that the auditor's opinion is supported.**

Voting: Unanimous

261. Audit Review of Cash Receipting and Reconciliation.

The Chief Executive submitted a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'D' to these Minutes in the Minute Book.

Members received the report on the findings of the Internal Auditor following the review of the systems and controls in place for Cash Receipting and Reconciliation within the authority.

**RESOLVED that the auditor's opinion is supported.**

Voting: Unanimous

262. Progress Report on Implementing Audit Recommendations

The Chief Executive submitted a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'E' to these Minutes in the Minute Book.

Members noted the progress made by service managers in implementing recommendations agreed with both the internal and external auditors. Following advice from officers, Members updated action points up to the end of October 2009.

**RESOLVED that Members note the content of the report and agree any variations to previously agreed action dates where necessary.**

Voting: Unanimous

263. Audit Programme 2009/2010

The Chief Executive submitted a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'F' to these Minutes in the Minute Book.

Members were advised on the progress against the audit timetable.

**RESOLVED that the Committee approve the updated Audit Review Timetable.**

Voting: Unanimous

264. External Auditors' Audit Fees

The Chief Executive submitted a report for information, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'G' to these Minutes in the Minute Book.

The Committee noted the report of the external auditor's fees for 2009/10. The external auditor gave Members more background information on how the fee of the external auditor was set.

265. Minutes of the Risk Management Working Party

The Chief Executive submitted a report for information, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'H' to these Minutes in the Minute Book.

Members noted the Minutes of the meeting of the Risk Management Working Party on 7 September 2009.

266. Temporary Staff

The Head of Financial Services gave a verbal report, based on information submitted to the September 2009 meeting of full Council that informed Members of the cost within the accounts of Temporary Staff.

A sum of £491,009 was in the 2008/09 accounts for temporary staff, of which £182,738 was received from external funding. Officers confirmed that in most cases, temporary staff were covering vacant posts for reasons that included maternity leave.

267. Comprehensive Area Assessment (CAA)

Members received an oral update from the Audit Commission on the process for Comprehensive Area Assessment (CAA) across Dorset authorities.

Members were reminded that the assessment process was made up of both an area assessment and an individual organisation assessment. The process was nearing completion and reports would be made public on the One Place website from mid-December. This web site would be the only method of publicising these reports.

At this stage, this authority would receive a green flag for work on demographic challenge and a red flag on housing. Members' attention

was drawn to some of the issues involved, particularly with regard to housing.

Other issues highlighted included safer communities and the good work that had been achieved, the impact of Dorset's economy, access to services, employment and leisure, safeguarding the environment, health and wellbeing, and culture.

The meeting ended at 9.10 p.m.

CHAIRMAN