

MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD AT COUNTY HALL, CHELMSFORD ON 17 JANUARY 2011

Membership

- | | |
|--------------------------|------------------------------------|
| * W J C Dick | * Mrs I Pummell |
| * A M Hedley | * T C Smith-Hughes (Vice-Chairman) |
| * M C M Lager (Chairman) | |

(* present)

The following officers were present in support throughout the meeting:

Cajetan Chukwulozie, Assistant Director of Internal Audit and Risk Management

Peter Tanton, Counter Fraud Manager

Elaine Taylor, Strategic Risk Manager

Sarah Harris, Senior Manager, Internal Audit

Karen Bellamy, Audit Manager, Internal Audit

Hannah Cleary, Governance Officer

Louise Wishart, Audit Manager and Rob Murray, District Auditor, from the Audit Commission (External Auditors) were also present.

1. Apologies for Absence

No apologies for absence were received.

2. Minutes of the last meeting

Resolved:

That the minutes of the meeting held on 13 December 2010 be approved as a correct record and signed by the Chairman.

3. Forward Look

The Committee considered report AC/001/11 by the Governance Officer and **agreed** the following:

1. That a work programme session is arranged in March for consideration of the Statement of Accounts 2010/11 process (Countdown to the Statement of Accounts 2010/11). Areas of focus include:
 - Closure of accounts action plan
 - Creditors and balance sheet liabilities
 - IFRS and fixed assets
 - Report format
 - Statement of Accounts publication dates

2. That a work programme session be arranged in June on developing governance to prepare the Audit Committee for its 2011/12 work programme. Areas of focus to include:
 - Other Audit Committees and their terms of reference, membership and agenda structure, including extending invitations to other Audit Committee Chairmen (see point 5 below)
 - Developing Member involvement- including the potential publication of a bi-annual newsletter
 - External inspection reports
 - The work of Internal and External Audit
 - Operational risk management
 - Governance of traded and commissioned services
 - The decision making process
 - The aims and outcomes of good governance
3. That the Annual Governance Statement 2010/11 Action Plan is updated to include actions arising from the Ethical Governance Framework, to be presented at the 16 May meeting.
4. That the topic of Financial Control of Schools in Essex be added for consideration at the 16 May meeting. Areas for discussion include:
 - Competence of finance staff in schools
 - Resilience
 - Risks and solutions
5. That the Chairman of another Local Authority or FTSE 100 company's Audit Committee is invited to attend a special meeting in the summer of 2011 in order to assist with the development of the role of the Audit Committee.
6. That an update is brought to the 16 May meeting regarding the progress of the Statement of Accounts 2010/11.

4. Date and Time of Next Meeting

The Committee noted that the next scheduled meeting would take place on Monday 14 March 2011 at 10.00am in Committee Room 1 at County Hall.

5. Exclusion of the Public

Resolved:

That the public (including the press) be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information as specified in Part 1 of Schedule 12A of the Local Government Act 1972 (paragraph 3, relating to the financial and business affairs of another party).

6. Maynetrees Facility
(Public and press excluded)

The Committee considered report AC/002/11 by the Director of Essex Property and Facilities, who was in attendance to introduce the report and respond to questions.

The Committee **agreed** that an update on this topic would be provided at the 26 September meeting.

7. Risk Assurance Progress Statement
(Press and public excluded)

The Committee considered report AC/003/11 by the Head of Internal Audit and Risk Management Consultancy Services who was in attendance to introduce the report and respond to questions.

The Committee **agreed** that a report would be brought to a future meeting detailing the development of key performance indicators for Risk Management Consultancy Services.

Chairman
14 March 2011