



**AUDIT TASK GROUP**

Wednesday 13 July 2011  
5.30 p.m.

Rooms 1 & 2, Phoenix House, Nottingham Road, Melton Mowbray

Present:-

Councillors: S. Dungworth, V. Manderson

Dawn Garton - Head of Central Services

Richard Gaughran – Head of Welland Internal Audit Consortium

Charlotte Wood – External Auditor

No.	Item	
1.	<p><b>APOLOGIES</b> Cllr M Sheldon</p>	
2.	<p><b>ELECTION OF CHAIRMAN</b> Cllr S Dungworth was elected as Chairman</p>	
3.	<p><b>DECLARATIONS OF INTEREST</b> None</p>	
4.	<p><b>AUDIT COMMITTEE FUNCTION</b></p> <p>Members were presented with the current terms of reference for the OSA committee for information and the CIPFA guide for Audit committees.</p> <p>A full discussion took place over the practicalities of having an Audit Committee as a Sub Committee to the OSA Committee. The merits of having a separate Audit committee from OSA reporting into Full Council was also discussed and this was the preferred option.</p> <p>A discussion took place over the implementation date and It was preferred that this commence in the new council year May 2012. A discussion took place on the arrangements for the rest of the year continuing as is with the OSA being in 2 parts. It was decided to leave the recommendation open for OSA to decide if to implement part year following the October Full Council or whether to await the AGM in May 2012</p> <p>This would be supported by a training programme.</p> <p>It was suggested that a separate Audit Committee would need 5 members in line with the guidance and ensuring sufficient attendance. A discussion took place on where this membership should be drawn</p>	<p>CW</p>

	<p>from and ideally it would be from those members that do not sit on a policy committee but certainly not chairs or vice chairs. CW to obtain some guidance on this. The Head of Central Service as S151 officer and the lead internal auditor and external auditor would need to develop a relationship with the chair and members which would be easier with a smaller focussed group. It was also suggested that this would also enable greater input into the Annual Governance Statement.</p> <p>3 programmed meetings would be the ideal which whilst less than the 4 recommended in the guidance would be appropriate for the size of the authority with special meetings being held if required. These would be scheduled for Feb, June, and Sept to fit with internal and external audit business.</p> <p>The issue of the traditional role of the audit committee for financial statements was discussed and it was agreed that the financial statements should be submitted to the Sept meeting and still approved by PFA in June/July each year to support the focus on treasury management and budget variations.</p> <p>The decisions would be wrapped up into a report to the Sept 2011 OSA in both the Head of Central Services and Chairs name.</p> <p>The risk management training for new members was discussed and DG undertook to see what stage this was at with a view to seeing if this could be arranged prior to the Sept OSA when the risk management annual report was scheduled for.</p> <p>The councils fraud strategies would need to be considered following this years audits and it was agreed this be scheduled for February 2012 and training be arranged prior to the meeting by PWC on "Risking it All" which covers fraud risk.</p>	<p>DG</p> <p>DG</p> <p>CW</p>
<p><b>5.</b></p>	<p><b>ANY OTHER BUSINESS</b></p> <p>None</p>	
<p><b>6.</b></p>	<p><b>DATE OF NEXT MEETING</b></p> <p>A further meeting of the group was not considered necessary.</p>	

The meeting closed at 18:15 pm