

DRAFT

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

GOVERNANCE AND AUDIT COMMITTEE

MINUTES OF THE MEETING HELD ON 28 JUNE 2010

Councillors: Councillors Jeff Beck (Chairman) (P), David Holtby (P), Irene Neill (P), and Quentin Webb (P).

Substitutes: Brian Bedwell, Adrian Edwards, Roger Hunneman and Keith Lock (SP).

Also present: Andy Day (Head of Policy and Communication), Andy Walker (Head of Finance), Ian Priestley (Assurance Manager), Joseph Holmes (Accountancy Manager) and Emma Foy (Manager – KPMG item 6).

PART I

4. APOLOGIES.

Apologies for inability to attend the meeting were received on behalf of Councillors Paul Bryant, Julian Swift Hook, Tony Linden and Tony Vickers.

5. MINUTES.

The Minutes of the meeting held on 27 April 2010 were approved as a true and correct record and signed by the Chairman.

6. DECLARATIONS OF INTEREST.

There were no declarations of interest received.

7. WEST BERKSHIRE FINANCIAL STATEMENTS 2009/10.

The Committee considered a report (Agenda Item 5) concerning the financial statements presented for external audit for the financial year 2009-10. Joseph Holmes in introducing the report advised that he had outlined the contents and purpose of this report at the March 2009 Governance and Audit meeting.

Joseph Holmes explained that the five primary statements within the document were:

- The Income and Expenditure Account
- Statement of the Movement on the General Fund Balance
- Statement of Total Recognised Gains and Losses
- Balance Sheet
- The Cash Flow Statement.

RESOLVED: That the Financial Statements for 2009-10 be approved to enable them to be audited by KPMG.

8. KPMG REPORT ON THE IMPLEMENTATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS).

Emma Foy advised the Committee that KPMG had been asked by the Audit Commission to complete a questionnaire in order to be able to form a view as to the preparedness of West Berkshire to implement IFRS. Nationally, 15% of Councils

were assessed as “Green” and on track, 65% as Amber (“minor” issues to be resolved) and 20% as Red (“serious difficulties”).

The Committee noted that West Berkshire Council had been assessed as “Green” and hence being on track for IFRS implementation.

RESOLVED: That the report be noted.

9. INTERNAL AUDIT ANNUAL REPORT 2009-10.

The Committee considered a report (Agenda Item 4) concerning the outcomes of Internal Audit work for 2009-10 and considered the opinion of Internal Audit on the internal control framework of the Council. Ian Priestley in introducing the item reported that this report supported the Annual Governance Statement and comprised both the annual report and the quarter four report. The Internal Auditors had not identified any fundamental weaknesses in the Council’s systems and where weaknesses were identified management action was taken to resolve the issues identified.

Ian Priestley reported that he considered that the Council’s internal framework, including the risk management systems were robust.

RESOLVED: That the Annual Audit report for 2009/10 be approved.

10. HEADS OF SERVICE ASSURANCE STATEMENTS.

The Committee considered a report (Agenda Item 7) concerning a summary of the issues raised by Heads of Service in their Assurance Statements that supported the Council’s Annual Governance Statement.

Ian Priestley, in introducing the report, reported that all Heads of Service had completed their Assurance Statements and were required to complete an Assurance Statement which then had to be countersigned by the relevant Corporate Director and Portfolio Holder. All ‘red risks’ were then captured on the service risk register and submitted to the Assurance team. A total of 15 red risks were identified compared to 27 last year. The largest number of red risks (8) had been identified by ICT.

In relation to Risk Register Ref 4 (Education Services - Page 116) Keith Lock requested an update on this matter and it was agreed that Ian Pearson would be approached to either attend the next meeting or provide a written update on the matter.

The Committee also commented on the use of “Management Board” within the report and it was agreed that, in future, this would refer to the appropriate Portfolio Holder given that Management Board was not a statutory or formal decision making body.

RESOLVED: That the Annual Governance Statement be approved.

11. ANNUAL GOVERNANCE STATEMENT - STATEMENT BY THE MONITORING OFFICER.

The Committee considered a report (Agenda Item 8) concerning evidence and independent verification of governance matters which might impact on the Annual Governance Statement from the viewpoint of the Monitoring Officer. Andy Day in introducing the report advised that the report related to the processes and procedures used in decision making by the Council and also related to the ethics and probity of decision making within the Council.

RESOLVED: That the Annual Governance Statement of the Monitoring Officer be approved.

12. ANNUAL GOVERNANCE STATEMENT - STATEMENT BY THE SECTION 151 OFFICER.

The Committee considered a report (Agenda Item 9) concerning evidence and independent verification of governance matters which might impact on the Annual Governance Statement from the viewpoint of the Section 151 Officer. Andy Walker in introducing the report advised that this statement would form the basis of the statement set out in the Statement of Accounts. The report articulated the role of the s151 Officer and Finance within the Council to ensure the delivery of adequate budget and policy requirements in managing the financial affairs of the Council and ensuring that legislative requirements were met.

In answer to a question, Andy Walker reported that he did receive reports that required finance approval prior to these being processed through the approved decision making structures.

RESOLVED: That the Annual Governance Statement of the Section 151 Officer be approved.

13. STRATEGIC RISK REGISTER 2010.

The Committee considered a report (Agenda item 11) in relation to the Council’s strategic risks. The report highlighted the changes made by Corporate Board to the strategic risk register and outlined the reasons for these changes.

RESOLVED: That the work being undertaken to manage the Council’s strategic risks be noted and approved.

14. ANNUAL GOVERNANCE STATEMENT.

The Committee considered a report (Agenda Item 10) concerning the Annual Governance Statement for the Council. Ian Priestley outlined the background to the report and the purpose of the governance framework.

RESOLVED: That the Annual Governance Statement be noted and approved.

(The meeting commenced at 5.00 pm and closed at 6.10 pm)

CHAIRMAN

Date of Signature: