

REPORT OF THE AUDIT AND CORPORATE GOVERNANCE COMMITTEE

Meetings Held on 20 June and 3 July 2008

Membership:

Councillors: **A.C.R. Chappell (Chairman), M.J. Fishley, J.H.R. Goodwin, B. Hunt, R. Mills, R.H. Smith and A.M. Toon.**

PRESENTATION BY SECTOR

1. The Committee has received a presentation by Mark Swallow, representing Sector, the company employed by the Council to provide expert monetary advice on treasury management.

AUDIT SERVICES ASSURANCE REPORT 2007/08

2. The Committee considered the Chief Internal Auditor's final audit assurance report for 2007/08. The Committee noted that the Audit Commission is pleased with the follow up recommendations in the report and that discussions are taking place with the Herefordshire Primary Care Trust with regard to the possible Council use of counter fraud initiatives. The Committee noted the report and requested that details of the number of external contractors employed by Council services other than the ICT service be circulated to Committee members and also the reasons for the delay in the merging of ICT services with another Directorate.

ANNUAL GOVERNANCE STATEMENT 2007/008

3. The Committee has considered and approved the draft Annual Governance Statement for 2007/08.

ANNUAL STATEMENT OF ACCOUNTS

4. The Committee has considered the Annual Statement of Accounts for 2007/08. The Committee has noted that the Herefordshire Primary Care Trust (PCT) is currently in discussions with the Council to ensure that PCT and Council accounts compare. The Committee has approved the Statement of Accounts and also that the outcome of the independent review of the Community Network Upgrade project be reported to the Committee.

JOINT WORKING WITH INTERNAL AUDIT – AUDIT 2008/09

5. The Committee has considered and noted the Audit Commission's protocol for joint working with the Council's Audit services team on the 2008/09 audit.

AUDIT AND INSPECTION PLAN – AUDIT 2008/09

6. The Committee has received and noted the Audit Commission's audit plan for 2008/09.

JOINT INTERNAL AUDIT PLAN 2008/09

7. The Committee has considered and approved the joint internal audit plan for the Council and the Herefordshire Primary Care Trust for 2008/09.

REVIEW OF CODE OF CORPORATE GOVERNANCE

8. The Committee has considered a report on a revised Code of Corporate Governance for the Council following the issuing of a new governance framework and guidelines. The Committee has noted that the Code of Corporate Governance reflects the current guidance jointly produced by CIPFA/SOLACE and also took account of the requirements of the Accounts and Audit Regulations 2003 (as amended) and is considered as best practice within local authorities. The Committee agreed the revised Code of Corporate Governance subject to consideration by the Standards Committee for onward approval by Cabinet and agreed that a Member of the Committee attended the Standards Committee on 4 July 2008. Additionally, it was agreed that the Audit and Corporate Governance Committee receives a report formally reviewing the Code of Corporate Governance at the meeting scheduled to be held on 20 March 2009.

9. SCHEME OF DELEGATION

The Committee has considered and approved in principle a revised Scheme of Delegation subject to the inclusion of amendments. The Committee has noted that the revised Scheme of Delegation with amendments would be considered by Joint Management Team (JMT) and that should comments from JMT require substantial (non technical changes) to the revised Scheme of Delegation, the Chairman and Vice-Chairman of the Committee be informed and their approval be sought prior to ratification to Council.

A.C.R. CHAPPELL
CHAIRMAN
AUDIT AND CORPORATE GOVERNANCE COMMITTEE

BACKGROUND PAPERS

Agenda papers of the meetings of the Audit and Corporate Governance Committee held on 20 June and 3 July 2008.