

Corporate Governance Committee – 25 September 2006

Present: Councillor Williams (Chairman)
Councillor Mrs Lewin-Harris (Vice-Chairman)
Councillors Beaven, Croad, Hall, Meikle, Prior-Sankey, Slattery,
Mrs Smith and Wedderkopp.

Officers: Ms S Adam (Strategic Director)
Mrs G Croucher (Review Support Officer)
Mr C Gunn (Internal Audit Manager)
Mr P Weaver (Head of Environment and Leisure)

Also Present: Mr T Bowditch and Mr P Lawrence (Audit Commission) and Mr D Gollin
(Independent Member of the Standard Committee)

(The meeting commenced at 6.15 pm)

11. Apologies/Substitution

Apologies: Councillors Denington, Lisgo and Mrs Whitmarsh.

Substitution: Councillor Croad for Councillor Lisgo.

12. Minutes

The minutes of the meeting held on 28 June 2006 were taken as read and were signed.

13. Risk Management Strategy

The Head of Environment and Leisure, Pete Weaver carried out an exercise with Members of the Committee which identified risks and the management procedures in place to control them.

Risk Management provided a framework that enabled Taunton Deane to identify, assess, manage, monitor and report risks in a way that would enable the Council to minimise losses and maximise opportunities.

A Risk Management Strategy had been produced which set out the Council's approach to Risk Management, together with a sharepoint intranet site to form a comprehensive database of risk management activity and information.

A Corporate Risk Register monitored by the Corporate Management Team (CMT) had been produced. This had been updated and the existing Directorate register had been regrouped in "Heads" groupings. This allowed Heads to take responsibility for managing the risks within their area. The Risk registers could now be incorporated into the Heads Service Plans and formed part of the performance monitoring system. The process could then be

cascaded down to service level with appropriate support from the Risk Management Team (RMT) as necessary.

All major projects would now be subject to the Risk Management process with the appropriate project leader taking responsibility for the project risk register. Smaller projects would be assessed if requested by the project leader or CMT.

RESOLVED that the Risk Management Strategy be reported to the next meeting of the Committee.

14. Annual Governance Report – Audit 2005/2006

Mr Terry Bowditch, Audit Manager, the Audit Commission (AC) introduced Taunton Deane Borough Council's Annual Governance Report 2005/2006.

The report included:-

- Report on financial statements 2005/2006;
- Value for money conclusion 2005/2006;
- Matters arising from the audit:
 - Details of unadjusted and adjusted misstatements in the accounts
 - Various other governance matters;
- The proposed draft audit opinion and value for money conclusion;
- Letter of representation for the approval of Members.

Mr Bowditch reported that the financial statements were of a generally good quality and that officers had cooperated well during the course of the Audit. The main weaknesses to be found had been in asset registers.

Following robust debate with Members on the draft accounts, the AC planned to give an unqualified opinion on the financial statements.

The Value for Money Conclusion for the year 2005/2006 would be issued at the same time as the audit opinion. This would be based on 12 criteria made up of:-

- 8 derived from Use of Resources work which had previously been reported;
- 3 were new and related to:
 - Setting and reviewing strategy and objectives;
 - Communication with service users, partners etc.; and
 - Monitoring and scrutiny of performance

- 1 derived from the annual Data Quality Audit – an assessment of the overall arrangements for managing data and performance information.

Reported that the Annual Audit Letter would be provided by March 2007 which would be a high level summary that included the Use of Resources Assessment 2007 and a Direction of Travel report.

RESOLVED that approval be given to the Strategic Director and Section 151 Officer, Shirlene Adam, to sign the Letter of Representation.

15. Internal Audit Progress Report

Considered report previously circulated, which provided an update on the progress made against agreed audit recommendations from 2005/2006. The report also detailed the activities of the Internal Audit team for the period between June and September 2006.

Reported that the 21 audit reviews completed during 2005/2006 had resulted in 165 recommendations being made. Although follow up visits had yet to be completed for most of these audit areas, summary details of progress against the recommendations were submitted. Summary details were also provided of the audits completed between June and September 2006.

The Internal Audit team would now issue audit reports that included individual risk ratings for high and medium recommendations. Low risk items would be communicated via memo only and not followed up. Future reports would include a breakdown for each audit undertaken and performance would be monitored to ensure that recommendations were implemented.

RESOLVED that the report be noted.

(The meeting ended at 7.50 p.m.)