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AUDIT AND RISK COMMITTEE

3 June 2008 – 6.00 pm

PRESENT:

Councillor Smith (in the Chair); Councillors Barker, Burroughs, Collins, Jeal, Jermany, Tate, M Thompson, Walker and Watts.

Councillor Ames attended as an observer.

Mr S Duncan (Head of Financial Services) and Mr R Hodds (Member Services Manager and Scrutiny Officer).

Ms S King (Internal Auditor, South Norfolk District Council).

1. MINUTES

The minutes of the 10 March 2008 were confirmed.

2. AUDIT COMMITTEE SELF ASSESSMENT CHECKLIST

Further to the report considered by members on 10 March 2008, the Committee were now requested to complete the Audit Committee Self Assessment Checklist. The Head of Financial Services reported that completion of the CIPFA's Audit Committee Self Assessment Checklist will provide an indication as to the effectiveness of current arrangements.

RESOLVED:

That the Audit Committee Self Assessment Checklist, as now completed by members, be agreed.

3. AUDIT JOINT WORKING PROTOCOL

The Committee considered the Head of Internal Audit's report on the Audit Joint Working Protocol. Members were advised that the protocol seeks to ensure that the services of internal and external audit are as integrated as possible, in order to maximise the effectiveness of the overall approach to audit operated within the Borough Council.

In order to facilitate a fully integrated audit approach, members were advised that there needs to be regular communication and co-ordination between internal and external audit to allow best use of joint audit resources and enable external audit to place the maximum level of reliance on the work of internal audit in the discharge of external audits duties under the

Audit Commission's revised Code of Audit Practice 2005. The Audit Joint Working Protocol had, therefore, been produced to formalise the working relationship between internal and external audit and in doing so:-

- Clarify areas of co-operation in planning audits, reviewing audit work and reporting to clients.
- Improve communication and co-ordination and therefore further enhance the audit approach, maximising the potential for each party to rely on the work undertaken.
- Help reduce any unnecessary overlap of audit effort.

RESOLVED:

That approval be given to the adoption of the Audit Joint Working Protocol as detailed in the Head of Internal Audit's report.

4. OUTCOMES OF COMPUTER AUDIT NEEDS ASSESSMENT

The Committee considered the Head of Internal Audit's report on the Outcomes of Computer Audit Needs Assessment. The report provided details of the outcomes of the Computer Audit Needs Assessment work carried out in the last quarter of 2007/08. Essentially, an analysis was undertaken of 34 discreet auditable areas in conjunction with a range of audit types to facilitate a comprehensive evaluation of the key aspects of the IT environment within the Council, added to which a separate exercise focusing on the Council's key applications was completed, the results of which were also fed into the Needs Assessment. Risk priority ratings were then used to compile both a Strategic Computer Audit Priority Analysis and Annual Computer Audit Activity Plans.

The Head of Internal Audit reported that the Computer Audit Needs Assessment process had enabled annual computer audit plans to be drawn up for 2008/09, 2009/10 and 2010/11. In terms of audit coverage for 2008/09, the original provision of 55 computer audit days, approved by the Audit and Risk Committee on 10 March 2008, has subsequently been revised to 53 days to deliver four assignments and computer audit follow-up work.

RESOLVED:

That approval be given to the proposals put forward as a consequence of the Computer Audit Needs Assessment exercise, the updated Strategic Audit Plan for 2008/09 to 2012/12, and the amended Annual Audit Plan for 2008/09.

5. REVIEW OF PARTNERSHIPS

The Chairman asked the Committee to give consideration to the method by which the Council receives information from partners/third parties. The Head of Financial Services reported that a Partnership Risk Register was currently being completed and that this register would be the subject of review by the Audit and Risk Committee at a future meeting.

6. CLOSURE OF MEETING

The meeting ended at 7.30 pm.