

**AUDIT COMMITTEE
29 SEPTEMBER 2008**

Present: Councillors Chowney (in the Chair), Beaver (as the appointed substitute for Councillor Pragnell) and Silverson.

Apologies for absence were received from Councillors Pragnell, Springthorpe and Stevens.

8. MINUTES

RESOLVED – that the minutes of the meeting held on 30 June 2008 be approved and signed by the Chair as a true record.

9. DECLARATIONS OF INTEREST

Councillors made no declarations of interest at this meeting.

10. INTERNAL AUDIT OF HASTINGS MUSEUM EXTENSION TO CONTRACT

The Chief Auditor submitted a report on internal audit findings in respect of the contract with R J Barwicks for the extension to the Hastings Museum. The full report with detailed recommendations was appended together with an action plan.

The Corporate Director Regeneration and Planning presented the management response to the recommendations contained in the action plan and answered questions from members.

RESOLVED that: -

- (1) the report and the management response be noted; and
- (2) A progress report be submitted in approximately six months time to include project management guidelines for all projects undertaken by the Council.

11. SUMMARY AUDIT AND RISK REPORT

The Chief Auditor submitted a report on internal audit findings in respect of Payroll, Debtors and a risk review of White Rock Theatre. The report had concluded that Payroll and Debtors services were rated A – Good and that the risk review of White Rock Theatre was rated B - Satisfactory.

Detailed reports were appended together with recommendations and action plans.

RESOLVED – that: -

- (1) the report be noted and all those involved in the success of the Payroll system be congratulated; and
- (2) the recommendation in the action plan that an independent review should be carried out across the shared Agresso platform to ensure confidentiality, integrity and availability of the system, be endorsed.

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12. EXTERNAL AUDIT REPORT – FINAL ACCOUNTS

The Head of Financial Services submitted a report on the audit of the Council's 2007-08 accounts by the external auditors (PKF).

The auditors were required to submit a report to this Committee on any matters identified during their audit. The International Standards of Auditing (ISA) 260 report, was appended to the Head of Financial Services report and was presented by Robert Grant of PKF. At the time of submission of the report some items were outstanding. These had now been completed and the external auditors gave an unqualified opinion on the Council's accounts.

The Head of Financial Services circulated notes to the core financial statements that had previously been supplied to the Auditors. The notes set out the nature and extent of risk. The Deputy Chief Executive and Director of Corporate Resources also reported orally on a credit risk arising from a deposit with Bradford and Bingley. This was now held with Abbey, part of the Santander group.

The report also contained a draft representation letter on behalf of the authority and those charged with governance, for approval, before the Audit Commission issued their opinion.

RESOLVED (unanimously) – that the report and the action plan be noted.

(The Chair declared the meeting closed at 7.12 pm)