

**AUDIT COMMITTEE
28 SEPTEMBER 2009**

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

Apologies for absence were received from Councillor Pragnell.

9. MINUTES

RESOLVED – that the minutes of the meeting held on 29 June 2009 be approved and signed by the Chair as a true record.

10. DECLARATIONS OF INTEREST

The following Councillors declared their interests in the minutes indicated: -

| Councillor | Minute | Interest |
|------------|--|---|
| Armstrong | 15(E) – Investigation made into the payments made to the Baird TV and Film Project | Personal – Knows two people associated with the Hastings Arts Forum which has been referred to in this report |

11. USE OF RESOURCES ASSESSMENT 2009

The Deputy Chief Executive and Director of Corporate Resources presented his covering report stating that the overall Use of Resources score of 3 – performing well, was a good result for the Council and that the committee should be pleased with that. He then introduced Robert Grant, Partner PKF, who delivered a presentation on the Use of Resources Assessment 2009,

The presentation was a précis of the large amount of work that was undertaken and showed the results of their assessment for the Council to consider. The Committee was advised that the assessment now included a new larger range of outcomes that had to be reviewed in assessing the use of resources opinion, making it a tougher test to achieve a good level of performance. Overall the Council had performed well in achieving a level 3 score.

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The Committee was informed that the results of the wider 'Organisational Assessment' (OA) assessed by the Audit Commission, would be published nationally on Monday 19th October 2009.

RESOLVED – that the report be noted, and that officers be thanked for their work on the report and their hard work in achieving the score.

12. EXTERNAL AUDIT REPORT – FINAL ACCOUNTS

The Head of Financial Services submitted a report on the audit of the Council's 2008-09 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 draft report, was appended to the Head of Financial Services report and was presented by Robert Grant, Partner PKF. The report identified an uncorrected misstatement, from which the Council had been asked to correct its accounts.

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.

13. CHIEF AUDITOR'S SUMMARY AUDIT AND RISK REPORT

The Chief Auditor, informed the Audit Committee of recent audit findings during the audit of Creditor Payments and Robert Tressell Training Closure audits. Since submission of the report, the Committee was informed of an update concerning a recent spate of fraudulent cheques which had been detected and removed from the clearing banks' system preventing any financial loss to the council. These offences are being dealt with appropriately.

RESOLVED (unanimously) – that the report be noted.

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14. MUSEUM EXTENSION CONTRACT RECOMMENDATIONS

The Chief Auditor presented a report on the progress of implementation of internal audit recommendations made in respect of the Hastings Museum Extension Contract Report presented to Audit Committee on 29 September 2009. Appended to the full report was a detailed summary of progress.

RESOLVED – that the report be noted.

15(E). INVESTIGATION MADE INTO PAYMENTS MADE INTO THE BAIRD TV AND FILM PROJECT

The Chief Auditor presented a report on an investigation made into the Baird TV and film project.

RESOLVED that: -

- (1) the recommendations in the report be actioned; and**
- (2) an updated report be submitted in approximately six months time.**

(The Chair declared the meeting closed at 8.05 pm)