

Audit and Governance Committee

Agenda

Date: Tuesday, 29th March, 2011
Time: 2.00 pm
Venue: Committee Suite 1,2 & 3, Westfields, Middlewich Road,
Sandbach CW11 1HZ

The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and at the foot of each report.

PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT

1. **Apologies for Absence**
2. **Declarations of Interest**

To provide an opportunity for Members and Officers to declare any personal and/or prejudicial interests in any item on the agenda

3. **Public Speaking Time/Open Session**

In accordance with Procedure Rules Nos.11 and 35 a total period of 10 minutes is allocated for members of the public to address the Committee on any matter relevant to the work of the Committee.

Individual members of the public may speak for up to 5 minutes but the Chairman will decide how the period of time allocated for public speaking will be apportioned where there are a number of speakers.

For requests for further information

Contact: Carol Jones

Tel: 01270 686471

E-Mail: carol.jones@cheshireeast.gov.uk with any apologies

Members of the public should provide 3 clear working days notice, in writing, if they wish to ask a question at the meeting, in order for an informed answer to be given. It is not required to give notice of the intention to make use of public speaking provision, however, as a matter of courtesy, a period of 24 hours notice is encouraged.

4. **Minutes of Previous Meeting** (Pages 1 - 6)

To approve as a correct record the Minutes of the Meeting held on 25 January 2011.

5. **Certification of Claims and Returns - Annual Report** (Pages 7 - 20)

The joint report of the Borough Treasurer and Head of Assets provides a summary of the key findings which have been identified during the Audit Commission's certification process for 2009-2010 specific grant income.

The Committee is invited to comment on the Grants Certification Report attached as an Annex to the report.

6. **Progress Report - Audit 2010-2011** (Pages 21 - 42)

The report of the Borough Treasurer and Head of Assets updates Members on progress to date against the 2010-2011 Audit Plan presented to the Committee on 25 January 2011.

7. **Final Accounts - Progress Report** (Pages 43 - 74)

The report of the Borough Treasurer and Head of Assets provides –

- an update on the issues contained within the Audit Commission's Final Accounts Memorandum;
- progress to date on the implementation of International Financial Reporting Standard (IFRS) compliant accounts;
- updated accounting policies, and
- potential changes to how the Accounts are presented to Members for approval in the future.

The Committee is asked to note progress in respect of producing year-end accounts and to consider the impact of amended reporting requirements for the meeting of the Committee in June.

8. **Operational Procedures for Covert Surveillance - Regulation of Investigatory Powers Act 2000** (Pages 75 - 78)

The report of the Head of Policy and Performance seeks to provide assurance that Cheshire East Council is complying with the requirements for covert surveillance under the Regulation of Investigatory Powers Act, 2000 (RIPA).

The Committee is asked to note the requirements of RIPA legislation and the actions in place to ensure that the Council complies with these requirements.

9. **Business Continuity Update** (Pages 79 - 82)

The Civil Contingencies Act 2004 requires that Local Authorities, amongst other organisations, are prepared to deliver key functions in an emergency. The report of the Head of Policy and Performance aims to provide assurance that Cheshire East Council has business continuity plans in place to provide critical services under a number of different emergency scenarios.

The Committee is asked to note the requirements of the Civil Contingencies legislation and the actions in place to ensure that the Council complies with these requirements.

10. **Risk Management Update** (Pages 83 - 92)

The Audit and Governance Committee has a key role in providing an oversight of the effectiveness and 'embedding' of risk management processes, and in testing and seeking assurance about the effectiveness of control and governance arrangements. In order to form an opinion on these arrangements, it needs to establish how key risks are identified, evaluated and managed, and the rigour and comprehensiveness of the review process.

The report of the Head of Policy and Performance seeks to provide the Committee with a summary of the key corporate risks and risk management work undertaken since the last report so that it may undertake this oversight.

11. **Internal Audit Plan for 2011-2012** (Pages 93 - 102)

The report of the Head of Policy and Performance seeks the Committee's endorsement of the approach to internal audit planning and invites the Committee to approve the Internal Audit Plan 2011-2012.

12. **Update on Annual Governance Statement 2010-2011** (Pages 103 - 106)

The joint report of the Head of Policy and Performance and the Borough Solicitor, updates the Committee on the work being undertaken to produce the Annual Governance Statement for 2010/11.

13. **Audit & Governance Committee Self-Assessment** (Pages 107 - 116)

The report of the Head of Policy and Performance is to facilitate compliance with the requirements of the Accounts and Audit Regulations (2003 as amended); consequently, it advises Members on the results of a self-assessment of the effectiveness of the Audit and Governance Committee using the CIPFA publication '*Audit Committees – Practical Guidance for Local Authorities (Appendix A)*'.

In addition to noting that the detailed outcome of the review of the system of Internal Audit will be considered by the Audit and Governance Committee as part of the Annual Governance Statement (AGS) approval process, the Committee is invited to consider the self-assessment and determine any required amendments.

14. **Sale of County Hall** (Pages 117 - 156)

To consider the joint report to Cheshire West and Chester Council (CWAC) and Cheshire East Council. The report examines the actions of both councils in relation to the sale of County Hall. The CWAC Audit and Governance Committee considered this matter at its meeting held on 1 March 2011.

The Committee is invited to comment on the report.

15. **Work Plan** (Pages 157 - 172)

The report of the Head of Policy and Performance presents an updated Work Plan for consideration.

16. **Date of Next Meeting**

To note that the first meeting of the Committee in the new Municipal Year is to be held on Thursday, 30 June 2011 at 2.00 pm at Westfields, Sandbach.

There are no Part 2 items