

BRIGHTON & HOVE CITY COUNCIL

AUDIT COMMITTEE

4.00pm 24 FEBRUARY 2009

COMMITTEE ROOM 1, HOVE TOWN HALL

MINUTES

Present: Councillors Hamilton (Chairman), Alford, Kitcat, Lainchbury, Mrs Norman, Oxley, Randall, Simpson, C Theobald and Watkins (Deputy Chairman)

PART ONE

69. PROCEDURAL BUSINESS

69a Declarations of Substitutes

69.1 Councillor Mrs Norman declared that she was substituting for Councillor Smith.

69.2 Councillor Mrs Theobald declared that she was substituting for Councillor Theobald.

69b Declarations of Interests

69.3 There were none.

69c Exclusion of the Press and Public

69.4 The Committee considered whether the press and public should be excluded from the meeting during consideration of any items contained in the agenda, having regard to the nature of the business to be transacted and the nature of the proceedings and the likelihood as to whether, if members of the press and public were present, there would be disclosure to them of confidential or exempt information as defined in Schedule 12A, part 5, Section 100A(4) or 100I(1) of the Local Government Act 1972 (as amended).

69.5 **RESOLVED** - That the press and public be excluded from the meeting during consideration of item 81, Non-Public Minutes of the Previous meeting and item 82, Corporate Risk Management Action Plans Focus as both items were exempt under Paragraph 3 of Schedule 12A of the Act.

70. MINUTES OF THE PREVIOUS MEETING

70.1 **RESOLVED** – that the minutes of the meeting held on 16 December 2008 be approved and signed by the Chairman as a correct record.

71. CHAIRMAN'S COMMUNICATIONS

71.1 The Chairman informed Committee Members that a seminar on the Comprehensive Area Assessment, which was being introduced from 1 April 2009, was being arranged. He stated that as this subject was so important an open invitation was being sent to all councillors to attend.

72. PETITIONS

72.1 There were none.

73. PUBLIC QUESTIONS

73.1 There were none.

74. DEPUTATIONS

74.1 There were none.

75. WRITTEN QUESTIONS FROM COUNCILLORS

75.1 There were none.

76. LETTERS FROM COUNCILLORS

76.1 There were none.

77. AUDIT COMMISSION UPDATE REPORT

77.1 This item was deferred at this meeting.

78. TARGETED BUDGET MANAGEMENT

(Councillor Watkins took the Chair for this item only).

78.1 The Assistant Director of Financial Services presented the report on Targeted Budget Management to the Committee and stated that it had been to Cabinet for consideration and would be going to Full Council in due course. He noted that this was an important forecast for this point of the year.

78.2 Councillor Randall asked which capital receipt assets were being marketed and whether Patcham Court Farm was included in this list. The Assistant Director of Financial Services stated that if assets had been identified as not performing well, they would be considered for marketing and resale, and confirmed that Patcham Court Farm could be included.

78.3 The Chairman asked whether a list of those properties being marketed was available for the Committee to view and the Assistant Director of Financial Services agreed that it could be placed on part two of the agenda for a future committee date.

78.4 Councillor Randall noted that the variance for the Housing Revenue Account had arisen several times in the past and asked for an explanation. The Assistant Director of Financial Services stated that he would gather more information on this and update the Committee at a future date.

78.5 **RESOLVED** – that the content of the report is noted.

79. AUDIT AND BUSINESS RISK PROGRESS REPORT

79.1 The Head of Audit and Assurance presented a report on Audit and Business Risk Progress and explained that this was an up-to-date report with an improved position of 41%. He noted that Deloitte were contracted to conduct several audits this year on behalf of the Council. The list of audits contained within the report was explained, and it was noted that there was only one outstanding action that was categorised as a high priority.

79.2 The Chairman asked how long it would be until this was resolved and the Head of Audit and Assurance explained that it would be resolved immediately. The medium priority actions would be resolved within six months.

79.3 It was noted by Committee Members that the School's Financial Management audit had been returned with a high number of medium priority actions and the Head of Audit and Assurance agreed to come back with more information on this.

79.4 Further questions were asked about the use of Deloitte to conduct audit reviews and the Head of Audit and Assurance explained that there were internal audit vacancies currently being advertised and Deloitte were being contracted to cover the shortfall whilst this process lasted. It was confirmed that the department would remain within budget for this year and that Deloitte would help the department to achieve their targets.

79.5 **RESOLVED** – that the content of the report is noted.

80. RISK AND OPPORTUNITY (ROM) UPDATE

80.1 The Risk and Opportunity Manager presented an oral report on Risk and Opportunity Management to the Committee and stated that a further update would be brought to the committee in June with a refreshed Corporate Risk Register. She noted there had been progress in terms of risk management at the authority and that workshops had been carried out on Building Schools for the Future, which would inform the Council's bid for up to £200,000,000 of funding.

80.2 **RESOLVED** – that the content of the report is noted.

81. PART TWO MINUTES - EXEMPT CATEGORY 3

81.1 The Chairman was requested to approve and sign the non-public minutes of the meeting held on 16 December 2008 as a correct record.

82. CORPORATE RISK MANAGEMENT ACTION PLANS FOCUS - EXEMPT CATEGORY 3

82.1 The Committee considered a report of the Director of Finance and Resources which was considered under exempt session in accordance with Paragraph 3 of Schedule 12A of the Local Government Act 1982.

82.2 **RESOLVED** – that the content of the report is noted and that:

- 1) A letter is written to the Cabinet Member for Environment.
- 2) A letter is written to the Cabinet Member for Central Services.
- 3) A referral is made to the Overview & Scrutiny Commission.

The meeting concluded at 5.50pm

Signed

Chair

Dated this

day of