

# South Somerset District Council

*Notice of Meeting*



## Audit Committee

*Making a difference where it counts*

**Thursday 28th June 2012**

**10.00 a.m.**

**Main Committee Room,  
Council Offices,  
Brympton Way,  
Yeovil,  
Somerset BA20 2HT**

The public and press are welcome to attend.

Disabled Access is available at this meeting venue.



If you would like any further information on the items to be discussed, please ring the Agenda Co-ordinator, **Andrew Blackburn** on Yeovil (01935) 462462  
email: [andrew.blackburn@southsomerset.gov.uk](mailto:andrew.blackburn@southsomerset.gov.uk)

This Agenda was issued on Wednesday, 20th June 2012

**Ian Clarke**, Assistant Director (Legal & Corporate Services)



**2007-2008**  
*Neighbourhood and  
Community Champions:  
The Role of Elected Members*

**2006-2007**  
*Improving Rural Services  
Empowering Communities*

**2005-2006**  
*Getting Closer to Communities*

This information is also available on our  
website: [www.southsomerset.gov.uk](http://www.southsomerset.gov.uk)



INVESTOR IN PEOPLE

# AC

## Audit Committee Membership

**Chairman** Derek Yeomans  
**Vice-Chairman** Ian Martin

John Calvert Roy Mills  
John Dyke Terry Mounter  
Marcus Fysh John Richardson  
Tony Lock Colin Winder

## South Somerset District Council – Corporate Aims

**Our key aims are:** (all equal)

- Jobs – We want a strong economy which has low unemployment and thriving businesses
- Environment – We want an attractive environment to live in with increased recycling and lower energy use
- Homes – We want decent housing for our residents that matches their income
- Health and Communities – We want communities that are healthy, self-reliant and have individuals who are willing to help each other

## Members' Questions on Reports prior to the Meeting

Members of the Committee are requested to contact report authors on points of clarification prior to the Committee meeting.

---

Ordnance Survey mapping/map data included within this publication is provided by South Somerset District Council under licence from the Ordnance Survey in order to fulfil its public function to undertake its statutory functions on behalf of the district. Persons viewing this mapping should contact Ordnance Survey copyright for advice where they wish to licence Ordnance Survey mapping/map data for their own use.

---

# Information for the Public

The purpose of the Audit Committee is to provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority's financial and non-financial performance, to the extent that it affects the authority's exposure to risk and weakens the control environment and to oversee the financial reporting process.

The Audit Committee should review the Code of Corporate Governance seeking assurance where appropriate from the Executive or referring matters to management on the scrutiny function.

The terms of reference of the Audit Committee are:

## Internal Audit Activity

1. To approve the Internal Audit Charter and annual Internal Audit Plan;
2. To receive quarterly summaries of Internal Audit reports and seek assurance from management that action has been taken;
3. To receive an annual summary report and opinion, and consider the level of assurance it provides on the council's governance arrangements;
4. To monitor the action plans for Internal Audit reports assessed as "partial" or "no assurance;"
5. To consider specific internal audit reports as requested by the Head of Internal Audit, and monitor the implementation of agreed management actions;
6. To receive an annual report to review the effectiveness of internal audit to ensure compliance with statutory requirements and the level of assurance it provides on the council's governance arrangements;

## External Audit Activity

7. To consider and note the annual external Audit Plan and Fees;
8. To consider the reports of external audit including the Annual Audit Letter and seek assurance from management that action has been taken;

## Regulatory Framework

9. To consider the effectiveness of SSDC's risk management arrangements, the control environment and associated anti-fraud and corruption arrangements and seek assurance from management that action is being taken;
  10. To review the Annual Governance Statement (AGS) and monitor associated action plans;
  11. To review the Local Code of Corporate Governance and ensure it reflects best governance practice. This will include regular reviews of part of the Council's Constitution and an overview of risk management;
  12. To receive reports from management on the promotion of good corporate governance;
-

# AC

## Financial Management and Accounts

13. To review and approve the annual Statement of Accounts, external auditor's opinion and reports to members and monitor management action in response to issues raised;
14. To provide a scrutiny role in Treasury Management matters including regular monitoring of treasury activity and practices. The committee will also review and recommend the Annual Treasury Management Strategy Statement and Investment Strategy, MRP Strategy, and Prudential Indicators to Council;
15. To review and recommend to Council changes to Financial Procedure Rules and Procurement Procedure Rules;

## Overall Governance

16. The Audit Committee can request of the Assistant Director – Finance and Corporate Services (S151 Officer), the Assistant Director – Legal and Corporate Services (the Monitoring Officer), or the Chief Executive (Head of Paid Services) a report (including an independent review) on any matter covered within these Terms of Reference;
17. The Audit Committee will request action through District Executive if any issue remains unresolved;
18. The Audit Committee will report to each full Council a summary of its activities.

Meetings of the Audit Committee are held monthly including at least one meeting with the Council's external auditor, although in practice the external auditor attends more frequently.

Agendas and minutes of this committee are published on the Council's website at [www.southsomerset.gov.uk](http://www.southsomerset.gov.uk)

The Council's Constitution is also on the web site and available for inspection in council offices.

Further information can be obtained by contacting the agenda co-ordinator named on the front page.

# Audit Committee

Thursday 28th June 2012

## Agenda

### *Preliminary Items*

1. **To approve as a correct record the Minutes of the previous meeting held on 24th May 2012**
2. **Apologies for Absence**
3. **Declarations of Interest**

In accordance with the Council's Code of Conduct, which includes all the provisions of the statutory Model Code of Conduct, members are asked to declare any personal interests (and whether or not such an interest is "prejudicial") in any matter on the agenda for this meeting. A personal interest is defined in paragraph 8 of the Code and a prejudicial interest is defined in paragraph 10.

4. **Public Question Time**

*Page Number*

### *Items for Discussion*

- |    |  |           |
|----|--|-----------|
| 5. | <b>2011/12 Treasury Management Activity Report.....</b>  | <b>2</b>  |
| 6. | <b>Follow Up Report - Risk Management Update including Partnering (suppliers, other agencies etc.) .....</b> | <b>15</b> |
| 7. | <b>Date of Next Meeting .....</b>  | <b>18</b> |

### **PLEASE NOTE**

***At the conclusion of the meeting, a training session will be held to prepare members for the approval of the Statement of Accounts, which will be submitted to the meeting of the Committee to be held on 27th September 2012.***

***The training will act as a refresher for existing members as well as initial training for the newly appointed member of the Committee and substitute members.***