

**Unconfirmed minutes – to be confirmed at the next meeting of the Audit Committee**

**SOUTH DOWNS NATIONAL PARK AUTHORITY**

**MEETING OF AUDIT COMMITTEE MEETING HELD ON 18 JANUARY 2011**

Held at Capron House, Midhurst

Present:

Norman Dingemans	Lewis Doyle (independent member)	Ken Hunt (independent member)
Mark Kemp-Gee	Margaret Paren (ex-officio)	Charles Peck (ex-officio)

Officers: Catherine Vaughan (Chief Finance Officer), John Beckerleg (Director of Corporate Services), Fiona MacLeod (Member Services Manager)

**APOLOGIES**

15. Apologies were received from Susan Warren.
16. The meeting was declared non-quorate as only two voting members were present. However the meeting continued in session as the substantive items on the Agenda were for noting only.

**DECLARATIONS OF INTEREST**

17. There were no declarations of interest.

**MINUTES**

18. The minutes of the Audit Committee meeting held on 19 October 2010 were approved and signed as a correct record by the Chair.

**URGENT MATTERS**

19. There were no urgent matters raised.

**PUBLIC PARTICIPATION**

20. There were no members of the public present.

**BUDGET MONITORING REPORT QUARTER 2 2010/1**

21. The Committee considered a report from the Chief Finance Officer (Report AC 01/11) informing the members of the budget monitoring for the second quarter of 2010/11 as previously reported to the Resources & Performance Committee.
22. During discussion, Officers clarified the following in response to members' questions:

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- The overspend of £230,000 in 'Ranger, Estates and Volunteers' detailed in the Resources and Performance Committee report reflected the inclusion of secondment costs;
- Due to the small scale of the Authority's spending in 2010-11 a fully integrated commitment system had not been used. A full accruals system would be considered for the first full operational year of the Authority based on the purchase order system provided by Brighton & Hove City Council. The Authority would be tendering for the financial services contract in the following 12 months. A briefing note would be provided to the Committee prior to its next meeting;
- Expenditure over £500 would be published on the Authority's website for information purposes from January 2011;
- A briefing note would be provided to the Committee regarding cash balances and short term lending.

23. The Committee noted the Report.

## **INTERNAL AUDIT UPDATE AND GOVERNANCE FRAMEWORK REVIEW**

24. The Committee considered a report from the Chief Finance Officer (Report AC 02/11) informing the members of the work of Internal Audit and the Internal Audit review of the Governance Framework.
25. The Chief Finance Officer reminded the Committee of the importance of carrying out such a review in readiness for 1 April 2011 and highlighted that the most important policies and procedures were already in place. The next priority would be processes and protocols for the employment of staff, and a focus on risk management.
26. Discussions with Hampshire County Council were still ongoing regarding the delivery of the planned audit of ICT.
27. The Internal Audit work would inform the Audit opinion for the Authority's accounts. The Chief Finance Officer considered that the opinion would need to reflect the fact that there was no Governance Statement during the shadow year, but that key actions, significant control measures and improvement processes had been put in place.
28. A further report, showing progress against the Internal Audit recommendations, would be brought to the Audit Committee in April 2011.
29. The Committee noted the Report detailing progress made against the Internal Audit Plan and the findings of the review of the Authority's Governance Framework.

## **RISK REGISTER**

30. The Committee considered a report (Report AC 03/11) introduced by the Director of Corporate Services.

Margaret Paren and Charles Peck left the meeting at 11.26am

31. The Director of Corporate Services explained that the Risk Register was reviewed at regular Senior Management Team (SMT) meetings and emerging risks/mitigation added as appropriate. Refinements to the Register would include prioritisation of

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risks, identification of trends, archiving closed risks and a review of the direction of travel. Identification of risk areas for particular focus at future Audit Committee meetings would become a standing item on the Audit Committee agenda.

32. The next meeting would consider the Risk Management Strategy and the corporate Risk Register.
33. The Committee noted the Report.

## **FINAL ACCOUNTS 2010-11**

34. The Committee received a presentation from the Chief Finance Officer providing a general introduction to the timetable for the Financial Statements (copy available on request). A more detailed presentation would be made at the April 2011 meeting.

## **AUDIT COMMITTEE PROGRAMME OF WORK FOR 2011**

35. The Committee noted the Report (AC 04/11) and outline Work Programme developed during the workshop held on 11 January 2011.

## **CHAIR**

The meeting closed at 12.15pm