CANTERBURY
CITY COUNCIL

Agenda

Audit Committee

Monday
21 June 2010
at 7.00 pm

The Guildhall
Westgate
Canterbury

Membership of the Audit Committee

Quorum - 3 Members

Councillors

Councillor Cragg
Councillor Parsons
Councillor J Perkins
Councillor Samper
Councillor Vye

Substitute Member for Conservative Group
Councillor Reuby
Councillor Thomas

Substitute Member for Liberal Democrat Group
Councillor Berridge
Councillor Eden-Green

Independent Members

Janet Jerram (Chairman)

Also circulated to the remaining Members of the council for information.

Directors/Heads of Service

Press (9)

District Auditor

NOTES

1 Members of the public may at meetings of the Committee speak for no more than three minutes upon any item which appears on the agenda for the meeting provided that notice has been given to Democratic Services (telephone 01227 862 003 or e-mail bob.bennett@canterbury.gov.uk) not later than 12.30pm on the working day before the meeting.

2 The venue for the meeting is wheelchair accessible and has an induction loop to help people who are hearing impaired.

3 Neither the Council nor its Executive has authorised the recording of their meetings or those of any committee, sub-committee, working group or similar body by members of the public or the media by any mechanical or electronic device or similar means. Recordings will not be permitted at any such meetings to which the press and public are admitted unless the council decides otherwise.

4 The information contained within this agenda is available in other formats, including Braille, large print, audio cassettes and other languages.

5 If you have any queries regarding the items on this agenda, please contact Bob Bennett on 01227 862 003 or e-mail bob.bennett@canterbury.gov.uk

A G E N D A

Page (s)

1 ELECTION OF CHAIRMAN

The Council have agreed that the Independent Member of the Audit Committee shall be Chairman for 2010/11.

2 ELECTION OF VICE-CHAIRMAN

3 APOLOGIES FOR ABSENCE

4 MEMBERS' INTEREST

If any Members have any interest in any item on the agenda, they are invited to declare the nature thereof, ie personal or prejudicial, when the relevant item is considered by the Committee.

5 PUBLIC PARTICIPATION AT MEETINGS

TO RECEIVE representations

6 MINUTES 7 - 13

TO CONFIRM as a true record the minutes of the meeting held on 22 March 2010.

7 MATTERS ARISING

(a) Horsebridge Arts and Community Centre – The Head of Community Development will present a report to the next meeting of the Committee in September
(b) Canterbury Football Hub – The Head of Culture and Enterprise will present a report to the next meeting of the Committee in September.
(c) Data Protection –

A question was raised at the last meeting of the Audit Committee about recent investigations of insurance companies for loss of personal data and if these cases had any relevance to the council.

The ICO website lists all recent enforcement actions. There have been two recent cases investigated by the Information Commissioner involving insurance companies.

Royal London Mutual Insurance Society – The theft of eight laptops from their Edinburgh office, two of which contained the personal information of 2135 policyholders.

Zurich Insurance – The loss of an encrypted back up disc whilst in transit from the UK to their record facility in South Africa. The disc had 46,000 policyholder records.

Both companies had to give a signed undertaking to the ICO that their record management processes would be improved. No fines were levied as the information was encrypted and this was a first incident.

There is nothing exceptional about these incidents as both follow a familiar set of circumstances. The council recently had a theft of a laptop from within the building but thankfully with no data loss implications. What these incidents do show is the need to maintain high standards of information security at all times. The council has in place a comprehensive Information Security policy. The difficulty is to guard against complacency and ensure that staff follow the policy at all times.
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8 AUDIT OPINION PLAN 2009/10 14 - 28

The District Auditor to present.

9 AUDIT AND INSPECTION PLAN LETTER 2010/11 29 - 34

The District Auditor to present and provide a verbal update on the latest position regarding use of resources and CAA.

10 CANTERBURY CITY COUNCIL FINANCIAL STATEMENT - COMPLIANCE WITH INTERNATIONAL STANDARDS ON AUDITING - LETTER TO CHAIRMAN 35

The District Auditor to present.

11 MEMBERS' APPROVAL OF THE STATEMENT OF ACCOUNTS 2009/10 36 - 47

TO CONSIDER

12 TREASURY MANAGEMENT REPORT - FINAL QUARTER 2009/10 48 - 62

TO NOTE the report of the Head of Finance.

13 REVIEW OF THE EFFECTIVENESS OF THE COUNCIL'S INTERNAL AUDIT ARRANGEMENTS 2009/10 63 - 66

TO CONSIDER the report of the Director of Finance and Deputy Chief Executive.

14 UPDATE REPORT ON RISK MANAGEMENT/CORPORATE GOVERNANCE 67 - 116

TO CONSIDER

15 ANNUAL GOVERNANCE STATEMENT TO 2009/10 ACCOUNTS 117 - 135

TO CONSIDER the report of the Director of Finance.

16 EAST KENT AUDIT PARTNERSHIP ANNUAL REPORT FOR THE YEAR 2009/10 136 - 149

TO CONSIDER

17 EAST KENT AUDIT PARTNERSHIP UPDATE REPORT FOR THE PERIOD MARCH 2010 TO MAY 2010 150 - 161

TO CONSIDER

18 ROLE OF THE AUDIT COMMITTEE - FUTURE WORK

TO DISCUSS and AGREE what further reports are required from Heads of Service/Service Managers.

19 ANY OTHER URGENT BUSINESS TO BE DEALT WITH IN PUBLIC

20 EXCLUSION OF THE PRESS AND PUBLIC

TO RESOLVE – That under Section 100A of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it is likely that if members of the public were present during that item there would be disclosure to them of information which falls within the exemptions under Schedule 12A to the Local Government Act 1972 or the Freedom of Information Act 2000 or both.

21 CONFIDENTIAL APPENDIX TO AGENDA ITEM 17 162 - 172

22 ANY OTHER URGENT BUSINESS WHICH FALLS UNDER THE EXEMPT PROVISIONS OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 OR THE FREEDOM OF INFORMATION ACT 2000 OR BOTH