

**AUDIT COMMITTEE**

**Minutes** of the Meeting of the Committee held on **20 JULY 2009** in Board Room at 14 Hounds Gate from 5.05 pm to 6.20pm.

**Present**

**Committee Members:**

Anne Dean (Chair)

Harry Everington

Peter Linford

Valerie Schneider

**Also in Attendance**

Julie Crook	- Director of Finance, ICT & Governance
Kathryn Godfree	- Engagement Partner Grant Thornton
Lorraine Hayes	- Governance Officer (Minute Taker)
Alison Mapp	- Company Secretary/Solicitor
Andrew Fife	- TIAA Limited

**08/36 WELCOME, INTRODUCTIONS & CHAIRS ANNOUNCEMENTS**

The Chair welcomed attendees to the meeting.

**08/37 APOLOGIES**

None received.

**08/38 DECLARATIONS OF INTEREST**

None received.

**08/39 MINUTES OF THE MEETING HELD ON 11 MAY 2009**

The minutes were adopted as a true and accurate record of the meeting.

**08/40 FINAL INTERNAL AUDIT REPORTS.**

The Director of Finance, ICT & Governance (DFIG) informed the Committee that (TIAA Limited) had completed four internal Audit reports which were a review of Asbestos arrangements, IT security, Service charge arrangements and Follow up review

**Asbestos Arrangements**

The Committee was informed that the recommendations made by the Internal Auditors with the agreement of Management and responsible officers and the timescales for implementation had all been agreed. The Committee was informed that the Asbestos policy,

referred to in the procedures manual does not make clear reference to the designated duty holder this was rated by TIAA as an important priority for the Company to remedy. Harry Everington sought clarification on the number of asbestos related claims made against the Company. The Company Secretary & Solicitor (CSS) informed the Committee by the nature of Asbestos latent claims prior to 2005 could be made against the Company and would obtain the details of any asbestos related claims and report back to the next Committee.

## **IT Security**

The Committee was informed that TIAA had reviewed the adequacy of the Company's IT security management controls and informed the committee that they had made seven recommendations three of which were rated urgent, one rated as important and the remaining three were rated as routine. The Committee was informed that they need to hold written assurance from Nottingham City Council (NCC) that all of the Company's systems are fully recoverable and within a reasonable time. The DFIG had recently met with the new head of IT Services at NCC a significant amount of work is currently underway in relation to the SLA for IT Services and it had been agreed that the Company and NCC would jointly fund an accountant consultant post to fully cost IT systems and to explore the finite details of the service level agreement in respect of IT services.

## **Service Charge Arrangements**

The Committee was informed that six leasehold properties had not been included on the leasehold database and had not been charged any service charges for 2007/08. An assurance was given to the Committee that a comprehensive database was now in place to record all leasehold properties. TIAA had made four recommendations within their report, one was rated as urgent two were rated as important and the remaining one was rated as routine.

## **Follow Up Review.**

TIAA informed the Committee of the sixty nine recommendations reviewed, 46 were identified as having been implemented, twenty as being in the process of implantation and one outstanding. The final two were classified as not applicable due to system changes.

The Committee was informed that the recommendations made by the Internal Auditors with the agreement of Management and responsible officers and the timescales for implementation had all been agreed. There were two urgent priorities identified that needed to be resolved. The Committee was further informed that the Company had requested TIAA Ltd to undertake a review of cash handling arrangements across the Company.

## **The Committee noted the report**

### **08/41 AUDIT REGISTER OF OUTSTANDING ACTIONS**

The DFIG informed the Committee that there were a number of recommendations and actions from previous audit reports that had been completed and 35 actions remained outstanding, the reason being as many of the recommendations were linked to projects outside of the Company's control.

## **The Committee noted the report**

### **08/42 FORWARD PLAN**

The DFIG informed the Committee that a new forward plan would be produced following the Annual General Meeting

**08/43 DATE OF NEXT MEETING**

**The Committee was advised that the date of the next meeting is scheduled for 7 September 2009 in the Board room at 14 Hounds Gate, Nottingham, NG1 7BA at 5.00 pm.**

**The meeting closed at 6.20 pm**

**Signed ..... Date .....**