

**AUDIT COMMITTEE**

**Minutes** of the Meeting of the Committee held on **7 SEPTEMBER 2009** in Board Room at 14 Hounds Gate from 5.00 pm to 6.15 pm.

**Present**

**Committee Members:**

Anne Dean (Chair)

Peter Linford

Valerie Schneider

**Also in Attendance**

Andrew Fife - TIAA Limited

Jan Locker - Senior Governance Officer (Minute Taker)

Alison Mapp - Company Secretary/Solicitor

Darren Phillips - Head of Finance

**08/44 WELCOME, INTRODUCTIONS & CHAIRS ANNOUNCEMENTS**

The Chair welcomed attendees to the meeting.

**08/45 APOLOGIES**

An apology was received from Harry Everington.

**08/46 DECLARATIONS OF INTEREST**

None received.

**08/47 MINUTES OF THE MEETING HELD ON 20 JULY 2009**

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

**08/48 AUDIT COMMITTEE ANNUAL REPORT**

The Chair introduced the Audit Committee's Annual Report a reflection of the work undertaken by the Committee during the year. The Committee noted the achievements of the year.

**RESOLUTIONS:**

**The Audit Committee reviewed the report and agreed the contents as an accurate reflection of the work of the Audit Committee during 2008 – 2009 for presentation to the Board.**

## **08/49 FINAL INTERNAL AUDIT REPORTS.**

The Head of Finance (HF) informed the Committee that (TIAA Limited) had completed four internal Audit reports which included a review of Payroll Arrangements, a high level review of Payments, Payroll and Income, a review of IT Security – Network Controls Arrangements and a review of Rent Setting and Collection Arrangements.

### **PAYROLL 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 an evaluation of Limited Assurance had been established of the overall adequacy of the internal controls. It was noted that recommendation 16.6 was complete.

### **PAYMENTS, PAYROLL & INCOME ARRANGEMENTS (HIGH LEVEL)**

The Committee was informed that TIAA had undertaken a high level review of the payments, payroll and income arrangements. The Committee was informed that two of the internal control procedures were assessed as substantial and one was assessed as reasonable. The overall assessment of the internal control procedures could only provide reasonable assurance against misstatement or loss.

### **IT SECURITY – NETWORK CONTROLS ARRANGEMENTS**

The Committee was advised that TIAA an evaluation of Limited Assurance had been established of the overall adequacy of the internal controls and the reason for this was there were seven priority two recommendations. The Committee was informed that the recommendations were ongoing or would be completed shortly.

The Committee discussed the SLA with Nottingham City Council and that negotiations were ongoing. It was noted that sub reviews would be undertaken bi-annually.

### **RENT SETTING & COLLECTION ARRANGEMENTS**

The Committee was informed that the Company had revised the cash handling procedures.

The Committee was concerned about the backlog to complete the reconciliation of the cash system to the nominal ledger and requested an update on progress at the next meeting.

The Committee also requested an update on recommendation 16.3 in respect of credit balances at the next meeting.

**The Committee noted the report**

## **08/50 AUDIT REGISTER OF OUTSTANDING ACTIONS**

The Company Secretary & Solicitor informed the Committee that there were fifty one internal audit recommendations and as previously advised many of the recommendations were linked to projects outside of the Company's control.

