

AUDIT COMMITTEE

FRIDAY 15 JANUARY 2010 AT 10.00 AM

PRESENT: Councillor Mrs Mallinson (Chairman), Councillors Boaden (until 11.37 am), P Farmer, Layden, Lishman, Stothard (as substitute for Councillor Hendry)

ALSO

PRESENT: Mrs Karen Murray (District Auditor, Audit Commission)
Mr Richard McGahon (Audit Manager, Audit Commission)

Councillor Cape and members of staff from Internal Audit Services attended part of the meeting as observers

AUC.01/10 WELCOME

The Chairman welcomed all those present to the meeting and wished them a happy New Year. She particularly welcomed Mr Mike Thompson, Interim Audit Manager.

AUC.02/10 APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors Hendry and Ms Patrick.

AUC.03/10 DECLARATION OF INTEREST

Councillor Mrs Mallinson declared a personal interest in accordance with the Council's Code of Conduct in respect of Agenda items A.8 (Future of Internal Audit Services) and A.10 Audit Services Progress Report) because she is also a Member of Cumbria County Council.

AUC.04/10 AGENDA

The Chairman referred to the Addendum to Report RD.69/09 concerning the future of Internal Audit Services circulated prior to the meeting, indicating that the Assistant Director (Resources) would outline the updated information provided for comparison purposes.

RESOLVED – That the course of action detailed above be agreed.

AUC.05/10 MINUTES

The Minutes of the meeting of the Audit Committee held on 4 December 2009 were submitted.

RESOLVED – That the Minutes of the meeting of the Audit Committee held on 4 December 2009 be agreed as a correct record and signed by the Chairman.

AUC.06/10 MINUTES OF RESOURCES OVERVIEW AND SCRUTINY PANEL

The Minutes of the meeting of the Resources Overview and Scrutiny Panel held on 10 December 2009 were submitted for information.

RESOLVED – That the Minutes of the meeting of the Resources Overview and Scrutiny Panel on 10 December 2009 be noted and received.

AUC.07/10 RESPONSE FROM THE EXECUTIVE

The following Minute Excerpt was submitted setting out the decision of the Executive on 17 December 2009 in response to concerns / comments raised by this Committee:

Minute EX.272/09 – Interim Arrangements / Options for Internal Audit

The Executive had received the reference from the Audit Committee (AUC.64/09) and noted that the Assistant Director (Resources) had responded to the concerns expressed.

RESOLVED – That the decision of the Executive be noted.

AUC.08/10 ANNUAL AUDIT LETTER

The District Auditor presented the Annual Audit Letter for the City Council dated December 2009, the purpose of which was to summarise the findings from the 2008/09 audit. The report included messages arising from the audit of the Council's financial statements and the results of the work she had undertaken in assessing arrangements to secure value for money in the Council's use of resources. The District Auditor informed Members that it was not an Annual Audit and Inspection Letter. The document was publicly available for people to look at.

The District Auditor added that an unqualified opinion on the Council's Accounts had been issued on 29 September 2009. No material errors were found in the financial statements and the overall number of errors had reduced. That was a significant improvement on previous years. Further improvements to the Council's accounts preparation procedures for 2009/10 had been agreed. A number of weaknesses in the Council's IT Security Policy had been identified and progress against the agreed Action Plan reported to the Committee in December 2009.

An unqualified value for money conclusion had been given by the due date in view of the fact that the Council had achieved Level 2 (performing adequately). To inform the Use of Resources Assessment risk based work had been undertaken around the Cumbria Strategic Partnership and Members would note that risk management and governance arrangements needed to be strengthened. Some changes had been made which superseded the points raised in the Letter.

In conclusion, the District Auditor thanked the Council for the support provided over the year in question.

The Chairman welcomed the District Auditor's comments with regard to the work undertaken by staff. She referred to the new Comprehensive Area Assessment and the review of Risk Management within the Cumbria Strategic Partnership, emphasising the need for consideration to be given to partnership working to ensure that the standards set by the City Council were complied with.

RESOLVED – (1) That the Annual Audit Letter for 2008/09 be referred to the Executive with a note of the comments raised in respect of future partnership working.

(2) That the Committee placed on record its appreciation of the work undertaken by the District Auditor and members of internal audit staff involved.

(3) That the Committee endorsed the District Auditor's comments in response to the review of Risk Management within the Cumbria Strategic Partnership.

AUC.09/10 USE OF RESOURCES REPORT 2008/09

The Audit Manager presented in detail the Use of Resources Report for the 2008/09 audit which summarised the Audit Commission's key findings from their assessment of how Carlisle City Council was managing and using its resources to deliver value for money and better and sustainable outcomes for local people.

He informed Members that the use of resources (UoR) assessment for 2008/09 was more demanding than previous assessments as the Key Lines of Enquiry (KLOE) were more broadly based than previously and embraced wider resource issues, such as workforce planning. The KLOE focussed more on value for money achievements, outputs and outcomes, rather than on processes.

The Council's use of resources theme scores for managing finances; governing the business; and managing its human resources had been assessed as Level 2 – performing adequately. The Audit Manager summarised in some detail the Audit Commission's findings and headline messages in that regard. He particularly highlighted to Members a major concern that the capital programme was historically significantly underspent

against budget, with underspending in 2008/09 being £4.1m (42%). Links between the in year financial monitoring of the capital programme and the outturn financial position needed to be improved. It was unclear from the capital monitoring reports whether the Council had a problem with the delivery of the capital programme or with the profiling and monitoring of expenditure.

Although the Council managed a five year programme of service reviews, it did not routinely evaluate all alternative service delivery options for some services, which needed to be looked at.

In conclusion, the Audit Manager outlined for Members the recommendations set out in the Action Plan attached at Appendix 2.

A Member thanked the Audit Manager for his very balanced and fair report. Although no simple task, he emphasised the need for the Council to get the capital programme right. He expressed concern regarding an apparent lack of clarity around the issues of profiling, slippage, reasons for slippage and re-profiling. He considered that a mechanism should be in place to ensure that the Capital Projects Board addressed that work, and reported back to the Audit Committee, Executive or Overview and Scrutiny.

It was important that the recommendation of the Audit Commission was acted upon and the Member expressed the hope that some tangible benefits would be seen to address the significant level of under spending which occurred year on year.

The Member then referred to the framework for ethical governance and acknowledged that some positive steps had been taken to raise awareness. Further enhancement was, however, required to ensure that the Audit Commission's comments were embedded. The issue was cultural and needed to be clear and transparent.

He added that new members of staff would be joining the authority as part of the transformation programme and the new Senior Management Team should give detailed consideration to the cultural issues referred to. The Member sought reassurance that would happen and feedback on how it would be done. In conclusion he expressed the hope that the report would be used as a very positive statement to take the Council forward.

The Assistant Director (Resources) welcomed submission of the Use of Resources report. A meeting had taken place and a lot of work undertaken since publication thereof. The Council would be assessed on what it had done to address the points raised next year.

He informed Members that one of the major issues affecting the capital programme and reasons for slippage was third party grants. Consideration had therefore been given to the capital programme for this and the next five years. Although it was not possible to give an assurance that slippage would not occur in future, he could confirm that it would not reach 42%.

He then outlined work undertaken in response to the various recommendations set out at Appendix 2, as detailed therein.

In summary, the Assistant Director thanked the Audit Commission for their report and for providing a focus on issues to be addressed in the coming year.

The District Auditor highlighted an intention to proceed with a 'lighter touch' whereby the Commission would ask the Council to identify where the score had improved from a Level 2 to Level 3. She pointed out that the capital programme for example was a very difficult area, and it may be difficult to progress to a Level 3. Significant under spends for whatever reason were not good for the people of Carlisle.

Following discussion on the need for regular reporting on the issue of slippage, and the remit of this Committee as opposed to the Resources Overview and Scrutiny Panel, the need for a very clear indication back from Overview and Scrutiny on the monitoring of slippage was emphasised.

In response to a question, the Assistant Director (Governance) reported that the Personnel Manager was developing an Officer Code of Conduct which would, in part, serve to raise awareness of the policies and procedures on ethical governance and fraud and corruption. The draft Code would be reported to a future meeting of the Employment Panel.

RESOLVED – (1) That the Use of Resources Report 2008/09 be received.

(2) That the attention of the Executive and the Resources Overview and Scrutiny Panel be drawn to the recommendations contained within the Action Plan attached at Appendix 2 to the 2008/09 Use of Resources Report and, in particular, R1, R5 and R6.

AUC.10/10 2009/10 FINAL ACCOUNTS PROCESS

The Head of Financial Services submitted report RD.60/09 providing information on the 2009/10 final accounts process.

She reminded Members that under the Accounts and Audit Regulations 2003 the City Council's Statement of Accounts for 2009/10 required to be submitted to a relevant body (currently full Council) for approval by 30 June 2010. Prior to approval the Audit Committee would be required to scrutinise and consider the accounts for recommendation to Council at their June meeting.

The Head of Financial Services outlined the final accounts process which, in order to meet the prescribed deadlines, commenced in January 2010 with the production of an internal timetable for the completion of the various tasks involved. The timetable was monitored by Financial Services Officers and progress reported to the Senior Management Team throughout the process since it was essential that a corporate approach be taken to achieve a set of Accounts which gave a true and fair view of the financial position of the authority.

The 2008/09 Governance Report considered by the Committee on 25 September 2009 acknowledged continuing significant improvements in the final accounts process compared to previous years. However, it also set out three recommendations and work had already commenced to ensure that those issues were addressed prior to the production of the 2009/10 Accounts.

The Use of Resources Assessment Score for 2009 had now been issued by the Audit Commission. The Council was awarded a score of 2 (meeting only minimum requirements and performing adequately).

The 2008 Statement of Recommended Practice (SORP) had introduced significant changes to the way authorities prepared their accounts and further changes were also required as a result of the 2009 SORP, details of which were provided.

She added that the amendments to the Accounts and Audit Regulations were laid before Parliament on 9 March 2009. The change which would impact on the Council and was applicable to the 2009/10 Accounts related to the requirement for the Accounts to be prepared on a "True and Fair view" basis as opposed to "Presenting Fairly". There were also proposals for further amendments, although those had not yet been passed through Parliament.

The further change that would impact on the Council related to disclosing remuneration information for senior managers by post to more closely match central Government and private sector reporting. That was expected to be revised this year and to be a requirement for 2009/10 onwards.

The existing Statement of Accounting Policies had been reviewed to reflect the changes in the 2009 SORP and also to provide further explanation of other existing policies. Members were asked to consider the accounting policies as outlined at Appendix A to provide the basis for preparation of the 2009/10 Accounts.

To facilitate Members' understanding of the Accounts, a training session would be provided at the June 2010 meeting.

The District Auditor clarified that the requirement for the Accounts to be prepared on a "True and Fair View" basis would bring the authority into line with the private sector and was nothing more than that.

RESOLVED – (1) That Report RD.60/09 be received and noted.

(2) That it be noted that training would be provided for Members at the June 2010 meeting of the Audit Committee.

AUC.11/10 UPDATE ON TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Head of Financial Services submitted report RD.61/09 updating Members on the work carried out on the transition to International Financial Reporting Standards (IFRS) of the Council's financial statements. She added that 2010/11 would be the first year that the Statement of Accounts were required to be IFRS compliant, however, that would also involve the restatement of the 2009/10 comparative information and the opening balance sheet as at 1 April 2009.

A copy of the Statement of Accounting Policies and the balance sheet at 1 April 2009 as restated under IFRS were appended to the report. Members were asked to note that, although the LASAAC 2010 IFRS based Code of Practice was published on 18 December 2009, the detailed guidance notes had not yet been issued. The Head of Financial Services added that the DCLG proposed amendments to the Capital Regulations has not yet been finalised and were only at the consultation stage. Therefore both the accounting policies and the opening balance sheet may have to be revised when that guidance became available.

The Chairman recognised the complexity of the matter and expressed thanks for the considerable amount of work undertaken by staff on the issue.

RESOLVED – That report RD.61/09 be noted.

AUC.12/10 ANNUAL REVIEW OF THE FINANCIAL PROCEDURE RULES

The Head of Financial Services submitted report RD.70/09 providing details of proposed changes to the Authority's Financial Procedure Rules (FPRs).

The Head of Financial Services reported that, under the Audit Committee's Rules of Governance, Members of the Committee were responsible for maintaining an overview of the Council's Constitution in respect of FPRs. The FPRs were reviewed on an annual basis in order to reflect changes in legislation, Government and Council Policy, changes in the Council's financial practices and any changes to the organisation structure.

The City Council had, on 10 November 2009, authorised the Assistant Director (Governance) to make all the necessary changes to the Council's Constitution (including the FPRs) to reflect the new management structure, and that had now been completed.

Other changes were, however, required to the FPRs and she outlined the proposed changes as detailed within the report.

RESOLVED – That the proposed changes to the Financial Procedure Rules, as detailed in Report RD.70/09, be approved for recommendation to the City Council on 2 March 2010.

AUC.13/10 ICT SECURITY POLICY AUDIT PROGRESS REPORT

Pursuant to Minute AUC.62/09, the Interim Audit Manager submitted report RD.66/09 appraising Members of progress to date on the recommendations contained in the Audit Report relating to the Council's ICT Security Policy.

The Interim Audit Manager reminded Members of the background to the matter whereby the Audit Committee had on 25 September 2009 requested a report back outlining the current position regarding recommendations B3 – B7 relating to data protection issues from the IT Security Audit report, together with an update on the integration of ICT Security Policies.

He outlined the current position on Data Protection / ICT Security Policies, details of which were set out in the report.

In conclusion, the interim Audit Manager indicated that he was content with progress made and suggested that an update report be submitted to the Committee on an annual basis.

The Chairman confirmed that she was happy to accept that arrangement.

RESOLVED – (1) That report RD.66/09 be received.

(2) That in future the Assistant Director (Resources) report on progress on an annual basis.

AUC.14/10 FUTURE OF INTERNAL AUDIT SERVICES

Councillor Mrs Mallinson (Chairman), having declared a personal interest, remained within the meeting room and took part in discussion on this item of business in her capacity as Chairman.

The Chairman noted that members of the Audit Services team were present at the meeting to observe proceedings. She welcomed the staff concerned, suggesting that they raise any questions or issues with the Assistant Director (Resources) or Interim Audit Manager following the meeting.

Pursuant to Minute AUC.64/09, the Assistant Director (Resources) submitted report RD.69/09 concerning the future of Internal Audit Services.

The Assistant Director outlined for Members the key drivers and proposed benefits of the Shared Audit Service; a summary of delivery options considered; proposed principles underlying the Shared Service; timescale for implementation and efficiency savings identified.

In relation to the benefits of the Shared Audit Service, he stated that the Council would benefit from the greater expertise in delivering the Council's Audit Plan due to the proposed larger and more robust internal audit service. Carlisle's (and Copeland's) experienced audit staff would be an asset to the shared service arrangements in undertaking actual audit work. The County

Council would bring a significant amount of management experience at Audit Manager and Principal Auditor level. The Council currently only had a part-time Audit Manager resource. However, under the shared service proposals, it would have a full-time Principal auditor and a 0.5 FTE Audit Manager. Therefore, the shared service initiative would greatly benefit through the TUPE transfer of the Council's operational audit team, whilst the Council would be gaining a significant management resource.

An Addendum to the report, which updated Members on information received since preparation thereof, had also been circulated prior to the meeting i.e.

- (i) revised Business Case (V7.0) reflecting the three Councils (the County Council, Carlisle and Copeland Shared Audit Service proposals following Allerdale's decision to pull out of the initiative; and
- (ii) Internal Audit staff observations on the proposals set out in the Business Case.

The Assistant Director explained the differences between the revised Business Case and the version appended to Report RD.69/09 originally submitted as detailed at Sections 1.1.1, 1.5.1, 2.5, 2.10.12, 3.3, 4.19, the Groupings of Audit responsibilities (days), 5.2, 2009/10 budget information and 5.12.

The effect on Carlisle of the revised Business Case was minimal and did not change the implications/advantages of entering into a shared Audit Service as set out in the covering report.

The Assistant Director then outlined staffing consultation undertaken, details of which were provided, confirming that Officers would respond to all staff concerned. He advised that there would be no redundancies as a result of the shared service initiative; staff would remain in their current location and undertake their own work in the short/medium term; and TUPE applied to the proposal.

The Assistant Director reported that the Project Board considered that a Shared Internal Audit Service, hosted by Cumbria County Council, would provide the most robust audit arrangement, with the scope for improved performance with modest savings initially and the potential for longer term savings through further rationalisation to management structures. He added that delivery of shared services across Councils required commitment, co-operation and much detailed and sustained work. The Shared Service proposal for Internal Audit Services provided opportunities to benefit from a robust service which would be provided as a critical mass to all participants.

In conclusion, the Assistant Director sought the Committee's comments on the proposal which would be considered by the Executive on 15 February 2010.

The District Auditor clarified that her comments set out at Section 6.4 of Report RD.67/09 (Audit Services Progress Report) were in response to concerns previously expressed regarding the proposed arrangements to resource and maintain the independence of Internal audit to 31 March 2010 and did not relate to the longer term solution of a shared service or other contractual arrangement.

The District Auditor reiterated that, in terms of the Audit Shared Service going forward, the proposed model was a very common model, utilised by other organisations such as the NHS. There were only three NHS internal audit providers for the whole of the North West.

A Member noted that under the proposed timescale for implementation, and subject to approval by all the participating Councils and to appropriate legal agreements being put in place, the target date for 'go live' was 1 April 2010. He did not consider the ICT Shared Service to be an exemplar of good practice and expressed real concern that the proposed shared internal audit service was being progressed at breakneck speed and without all aspects being put in place. He further referred to the comments set out at Appendix 2 and was concerned that the Council may be failing to properly engage with the staff concerned.

The Member was not reassured by what he had heard. The proposed shared services included functions of great importance to the authority and he emphasised the need to proceed carefully and realistically.

In response, the interim Audit Manager said that he shared the comments on lack of detail. The process was evolutionary and the principal motivator for the 1 April 2010 implementation date was to get a joint Audit Plan in place. The intention was that a meeting would take place with staff to provide more detail on the questions raised.

The Member welcomed that response which was helpful. He again emphasised that it was critical that the expertise and comments of staff involved were used to inform the process.

The Assistant Director added that lessons had been learnt from the ICT and Revenues and Benefits Shared Service arrangements, notably that the timetable for the proposal under consideration today would be fluid.

On a point of clarification, the District Auditor stated that an Audit Plan was not for her benefit, rather for the Council.

The Assistant Director and Interim Audit Manager then responded to Members' questions on future audit resources and costs.

RESOLVED – (1) That Report RD.69/09 and the additional information set out in the Addendum thereto be noted.

(2) That, further to their deliberations on the future of Internal Audit Services, the Audit Committee recommended to the Executive:

- (a) That an Audit Plan be put in place by 31 March 2010.
- (b) That, should the Executive wish to endorse the proposed Internal Audit Shared Service, TUPE arrangements for the transfer of the Council's operational Audit Team should apply.
- (c) That timescales for implementation of the proposed Shared Service initiative be clearly identified.

AUC.15/10 AUDIT SERVICES PROGRESS REPORT

Councillor Mrs Mallinson, having declared a personal interest, remained within the meeting room during consideration of this item of business.

The Interim Audit Manager submitted report RD.67/09 summarising the work carried out by Audit Services since the previous report to Committee on 25 September 2009.

The final reports on the Audits of Brampton Business Centre; the Enterprise Centre; Supporting People; Highways Maintenance; and Fixed Assets/Capital Expenditure were appended to the report.

Work was also in progress on a number of other reviews, for which the final reports would be presented to Members in due course.

The Interim Audit Manager stated that follow-up reviews had been undertaken where appropriate during the period covered by the report. There was one specific outstanding audit recommendation emanating from a review of the Authority's Equality and Diversity arrangements, over the adequacy of training records that the then Head of Personnel and Development took issue with. Whilst agreeing that the authority should be able to monitor attendance at courses, the Head of Service had concerns that the lack of funding to develop the Trent Business System made it difficult to provide accurate and easily accessible information on staff attendances at mandatory courses.

As part of the Chief Executive's Transitional review, the Trent development issue would be looked at again but, in the meantime, transitional arrangements had now been agreed between internal audit and the Training Co-ordinator that would ensure a centralised overview of attendances at courses deemed to be mandatory for all staff.

As reported to Members at previous meetings, requirements for the full property database would be progressed in due course as part of the transformational review. In the meantime, the MASS database continued to be developed with details of playgrounds, monuments and allotments currently being incorporated. In addition, the Real Asset Management System had now been implemented, tested and relevant staff trained up.

Whilst enhancements were required to improve data collection and reporting, the system was operational and ready to be utilised for the closure of accounts (the main priority).

The Interim Audit Manager outlined the position, following an earlier Audit Review of External Grant Funding, commenting that as a requirement of the NWDA's funding offer in connection with Carlisle Renaissance Year 1 Action Plan, the NWDA had agreed to fund an external assessment of the management of external funding, in terms of financial controls, processing of claims, etc which would be used to inform any decision on how the role of the External Funding Officer should work in future. The work had been commissioned from Genecon and, following an initial outline, a draft report had recently been received. The EFO and a finance representative within the Resources Directorate would be liaising and passing back joint comments to Genecon who would subsequently furnish the Council with a final report for consideration by the Senior Management Team as part of the transformational review.

He referred to discussions at the Audit Committee on 4 December and Executive on 17 December 2009 with regard to the Audit Shared Service / Interim Arrangements. The Assistant Director (Resources) had responded under confidential cover to the Chairman of this Committee and the District Auditor on 9 December 2009 to the concerns raised. A reply, which provided comments over the issues raised, had now been received from the District Auditor, the content of which was set out in report RD.67/09.

Whilst the ongoing concerns of the District Auditor over independence were fully appreciated, it should be noted that the Interim Audit Manager's role in the Transformation and Shared Service process was not a decision making capacity, but was advisory and focussed upon organisational and value for money issues which was an audit role in many authorities. It was reiterated that this was a short term temporary arrangement and would not progress beyond 31 March 2010.

The Assistant Director (Resources) then responded to the Committee's concern over the reduction in the number of audit days proposed under a shared service, details of which were set out in the report.

RESOLVED – That report RD.67/09 be received.

AUC.16/10 ANNUAL GOVERNANCE STATEMENT ACTION PLAN

The Head of Financial Services submitted report RD.68/09 appraising Members of progress made on the Annual Governance Statement Action Plan.

An updated Action Plan was attached which, in accordance with established practice, would be monitored and the updated status reported to Members at each meeting of the Committee. Members' attention was drawn to items 2 (ensure that the National Officer Code of Conduct was adopted in due course)

and 3 (significant weaknesses in areas of implementing the IT Security Policy) which had been identified in the Annual Governance Statement as significant.

The Head of Financial Services added that there were no new areas of risk arising from the Audit Reviews or from the Risk Registers that needed to be drawn to Members' attention.

In response to a question, the Interim Audit Manager informed the meeting that the Officer Code of Conduct would be presented to the Employment Panel and, following approval, to this Committee.

RESOLVED – That, subject to the issues raised above, the Annual Governance Statement Action Plan and current position relating to each of the areas identified be agreed.

**AUC.17/10 TREASURY MANAGEMENT STRATEGY STATEMENT,
INVESTMENT STRATEGY AND MINIMUM REVENUE
PROVISION STRATEGY 2010/11**

The Treasury and Insurance Manager submitted report RD.71/09 setting out the Council's Treasury Management Strategy Statement for 2010/11 in accordance with the CIPFA Code of Practice on Treasury Management.

He informed Members that the Investment Strategy and the Minimum Revenue Provision Strategy for 2010/11 were incorporated as part of the Statement, as were the Prudential Indicators as required within the Prudential Code for Capital Finance in Local Authorities.

The Treasury and Insurance Manager indicated that the draft version of the Statement was considered by the Executive on 17 December 2009 prior to the consultation period on the draft budget for 2010/11 and this draft was originally circulated to the Audit Committee. The Statement as compared to the draft had been amended in places to address some of the issues raised in the draft Guidance on Investments recently issued by the DCLG. Although the final version of the Guidance would not be issued for some weeks, it was anticipated that it would be very similar to the draft Guidance. In addition, a revised version of the CIPFA Code had just been produced which was discussed in a new Appendix E and that too had informed the revised report

He added that further amendments may be required before the final version was presented to full Council for final approval in February.

In response to Members' questions regarding debt rescheduling (Section 9.1 of the report refers), the Treasury and Insurance Manager explained the background to and reason for the current view that a premature repayment of the stock issue was not recommended because of the size of the premium payment that would be incurred. The position remained under review should circumstances change.

The Assistant Director (Resources) added that a decision would have to be taken at the date of maturity in 2020 on whether and how to re-finance the sum of £15m referred to above.

RESOLVED – That the Audit Committee received report RD.71/09; and wished to draw the attention of the Executive to Appendix E setting out the Revised CIPFA Code of Practice on Treasury Management and, in particular, the recommendation for the City Council to nominate the Audit Committee to be responsible for ensuring effective scrutiny of the Treasury Strategy and Policies.

[The meeting ended at 12 noon]