Item No 2b on the Agenda

STAFFORDSHIRE PROBATION BOARD

Notes of the (inquorate) meeting of the Audit Committee held at 2.00pm on Friday, 22nd January 2010 at Stafford Head Office

127. Present	Members – Alan James (Chair) and Graham Tritton Officers – Bob Simpson (Board Treasurer) and Norman Stott (Board Secretary) Also in attendance – Linda Clewlow; Mark Jones and Richard Vialard (both PWC – External Auditors)
128. Apologies	Tony Johnson and John Ryan (Board members); Rob Mandley (Chief Officer); Ian Hewitt (Business Support Manager) and Marc Rainforth (NOMS Internal Audit)
129. Declarations of Interest	Alan James declared his position as (part time) Treasurer of the Derbyshire Probation Board
130. Minutes of the meeting held on 19th June	Agreed as accurate, with the Chair authorised to sign as such, subject to the correction of “as” to “was” on page 2, line 1 and to the deletion of “that explained” in line 5
131. Matters arising	None
132. Report from the External Auditors	a) Noted that the IFRS issue had been reported direct to the Board. The attached papers squared the circle by (retrospectively) putting the issues to the Audit Committee. Richard Vialard confirmed that the accounts had been revised in the light of IFRS, and had properly compiled b) 2009/ 10 Audit Plan – Mark Jones spoke to the draft report, copy retained with the signed minutes. The new Trust would have the responsibility for managing the transition process, but the Board had continuing governance responsibilities for ensuring arrangements were in place for this to be done. The imminent Trust merger was in fact the only “significant” issue. c) External Audit Fee – Alan James repeated his frustrations that the fees were continuing to increase at a time when the area was suffering severe budgetary pressures. It was, however, recognised that these were effectively set by the Audit Commission and accordingly agreed (with reluctance) that the Board be recommended to accept the proposals.

133. Reports from Internal Audit	A telephone conference facility was set up to establish contact with Marc Rainforth, who gave a brief update of Performance against the Plan 2009/ 10. Agreed that the Best Value audit would not be required for 2009/ 10 given that NOMS had recognised there were more pressing issues likely to arise from the establishment of the new (merged) Trust. Graham Tritton expressed his concerns that the expected reports on Approved Premises, Risk Management and Financial Control had not been delivered, meaning that the Audit Committee would have very little time to consider them before the end of the financial year. It was accordingly agreed that 2 further meetings of the Committee would be arranged (19th February and 19th March 2010) with a view to reports being forwarded in each case to the Board meetings the next week. It was also agreed that:- a) the audit days provisionally allocated to Best Value would be used instead to address Trust transition issues; b) the extra meeting on 19th February would look in detail at the issues to be considered by the Shadow Board; and c) Alan James and Bob Simpson would meet to agree the areas for review arising from the merger and establishment of the new Trust, and feed these into the internal audit process.
134. Update on Business Continuity Plan	Reports on flooding at Melbourne House, and Swine Flu were noted
135. National audit issues	a) Noted that the proposed meeting of Audit Chairs had now been rearranged for 25th February b) Internal Transformation Project – noted c) The Committee noted that the initiative taken by Staffordshire on reporting their work to the Board had now been adopted nationally as a template
136. Date of next meetings	Provisionally arranged for 2.00pm on Friday, 19th February and 19th March 2010 (see minute 133 above)