

AUDIT COMMITTEE

Minutes of a meeting of the Audit Committee held on Tuesday, 28th July 2009 at 5.30 pm in the Reception Suite, Civic Offices, Telford

PRESENT: D. Wright (Chairman), I.T.W. Fletcher (Vice-Chairman) and R.K. Austin.

OFFICERS PRESENT: Paul Clifford – Interim Corporate Director: Resources, Jenny Marriott – Audit & Risk Manager, Andrew Cardoza and Peter Evans – KPMG, Andrew Meredith – Customer Services Manager, Tracey Drummond – Senior Auditor and Andrew Roberts – Democratic Services Officer.

AUC-13 MINUTES

RESOLVED – that the minutes of the meeting of the Audit Committee held on 16th June 2009 be confirmed and signed by the Chairman.

The Committee were requested to confirm that they had received the additional information arising from the previous meeting in relation to Business Continuity from the Head of Prevention & Protection. Members confirmed that they had received the information and confirmed that the information supplied had been very informative.

AUC-14 APOLOGIES FOR ABSENCE

Councillors L. Lomax and W.L. Tomlinson.

AUC-15 DECLARATIONS OF INTEREST

None.

AUC-16 INTERIM AUDIT REPORT 2008/09 TELFORD & WREKIN COUNCIL

The Committee received the report from KPMG in connection with the Interim Audit Report for 2008/09. The report summarised KPMG's planning and interim audit work that had been undertaken within the Council in relation to the 2008/09 financial statements. Members were informed that the audit work to date included Audit planning and risk analysis and Control evaluation.

The Committee was also informed that the Audit Commission had also undertaken a review of all local authorities that had been involved with investments in Icelandic Banks. Members were referred to Section four of the report that summarised KPMG's conclusions on the Council's treasury management activity and policies. The recommendations of KPMG were outlined within Appendix A of the report and further Appendix B detailed their conclusions on the progress in the implementation of previous recommendations.

The report further outlined the findings as a result of ongoing audit work in relation to Audit Planning; Control Environment; Use of Resources

Assessment and the Treasury Management Review. The report also contained details of one elector question that had been received.

Members were requested to comment on any aspect contained within the report. These are outlined below with any further comments from KPMG being placed in the brackets that followed the statement or question.

Councillor Fletcher – enquired about Recommendation Number 4 in connection with the reduction in the number of Super User access rights. (Members were requested to note the response that had been received from the Council in connection with this particular recommendation.)

Councillor Wright – referred to the recommendation that was numbered 5 in the recommendations in relation to Internal Audit work that had been provided by external contractors and expressed concern that the statement made within the report seemed to contradict the reported good relationship with the Council. (By way of response KPMG confirmed that they were very happy with the work of Internal Audit – however it was pointed out that this particular comment was in connection with an instance where work that had been performed by an external contractor had not meet the requirements of KPMG. It was further pointed out that the role of KPMG was to sufficiently challenge the robustness of the Council.)

Councillor Austin – enquired about the details of the elector question that had been received. (It was confirmed that this related to a resident’s consultation exercise that had been undertaken by Transforming Telford and that residents had not been informed of a change to the proposals that had been implemented at the conclusion of the consultation exercise. It had been noted that in the future where changes were made to proposals that all interested parties should be informed.)

RESOLVED – that the KPMG Internal Audit Report 2008/09 Telford & Wrekin Council be noted.

AUC-17 ANNUAL AUDIT FEE LETTER – 2009/2010

The Committee received the Annual Audit Letter – 2009/2010 that had been received from KPMG. Members were referred to the letter that outlined the audit work that would be undertaken by KPMG for the 2009/10 financial year together with the fee that was proposed to be charged to the Council.

Members were reminded that KPMG were contracted to undertake an annual audit of the Council and the basis on which this was undertaken. The level of the fee was based on the current risks that remained associated with the Council and also the size of the Borough when compared to similar sized local authorities. The various ongoing risks associated with the current initiatives that were being undertaken by the Council needed to be considered. The Committee were further informed that based on the current Audit Commission’s scale of fees that the proposed indicative fee for the Council should be set at the scale fee of £270,000 – however following discussions that had been held between the Council and KPMG a reduced fee level had been agreed at the rate of £255,000 which would also include an additional 15

days of IFRS support work. It was reported to Members that the proposed fee was some 6% below the current mid point level. KPMG were obliged to undertake a robust and challenging audit and it had been stated that the required level could not be maintained at the current low level of the audit. As a result the current low fee level could not be sustained.

Members noted the letter and the reasons that deemed that an increase of the audit fee was required.

Councillor I.T.W. Fletcher commented that he was agreeable to the proposed level and accepted the factors that had led to the fee increase.

Councillor R.K. Austin enquired as to whether there had been any change in the services that had been undertaken by the previous external auditors. By way of response Andrew Cardoza (KPMG) replied by stating that he could not comment on behalf of the previous auditors but that there had been no change in the external auditing process. He stated that the previous fee was extremely low and that as far as the Council were concerned the level had been extremely well negotiated but given the reasons for the proposed increase that had been reported earlier the current level of audit fee was unsustainable.

RESOLVED – that the KPMG Annual Audit Fee Letter – 2009/2010 be noted.

AUC-18 ANNUAL REPORT ON COMPLAINTS AND ASSURANCE ON LESSONS LEARNT 2008/09

The report of the Head of Customer Services & Business Transformation was received which sought to inform the Committee on how the Council was performing against the customer service standards for compliments, complaints, Freedom of Information, Data Protection and MP Enquiries for the period 1st April to 31st March 2009. The report also presented more detailed information for the period 1st September 2008 to 31st March 2009 which was now available with the introduction of the new Customer Feedback System in September 2008.

Members were informed that during 2008/09 there had been a slight decrease in compliments from 793 to 671. The majority of compliments were addressed to front line services, particularly those in Environmental Maintenance, Adult and Consumer Care and Community Services. During the same period 657 complaints were received compared to 656 in 07/08. The majority of concerns were around conditions of roads, refuse collection, benefit issues and leisure centres.

Details were also provided in connection with the percentage of complaints that had been responded to within the target of 20 working days with 93% of complaints being responded to during 2008/09, against a target of 88%. The Committee was referred to the individual portfolio response rates together with comparative figures for the previous year as detailed within the report.

In relation to Statutory Complaints: Adult & Consumer Care and Children & Young People responded to 59% and 39% respectively of statutory complaints within the target timescale. It was further reported that in relation to Stage 3 complaints 26 in total had been received – with 20 not being upheld, 2 partly upheld, a resolution found in two cases prior to full investigation and 2 being withdrawn.

Members also noted that the Local Government Ombudsman reported no findings of maladministration against the Council in 2008/09.

The Committee were also informed of Freedom of Information requests and Data Protection requests, during 2008/09 the Council received 436 Freedom of Information requests, which represented an increase of 47% compared to 2007/08. The Council responded to 86% within the 20 day target which was slightly below the performance target of 88%, although this response rate was noted as a good performance given the increase in requests for information that had been received from the public and the relatively small number of services that these requests related to. During 2008/09 the Council received 111 Data Protection Requests, which represented an increase of 76% on the total of 63 requests that had been received in 2007/08. The response rate was 85% within the 40 day timescale which was slightly below the performance target of 93%. Again it had been noted that demand for this service had increased significantly and impacted on a relatively small number of service areas.

During 2008 a complaint satisfaction survey was introduced, with satisfaction ratings in the region of 57% - this compared to the 24% reported in the 2008 Citizens Survey.

The Committee were referred to the report which provided information in connection with the Respond system that had been implemented from the 1st September 2008. Members were advised that during the period to date the Council had received 1925 pieces of feedback from customers, with 43% being concerned with the Environment and Regeneration portfolio. Overall the Council had received 344 compliments and 395 complaints. Members were also informed that a target of 10 days was also introduced for responding to complaints that had been received through the Respond system. Overall the Council responded to 83.5% of complaints within the 10 days target. Resources responded to 90.9%, Community Services 88.4%, Environment and Regeneration 83.4%, Adult and Consumer Care 53.6%, Children & Young People 52.4%. The report also outlined the reasons when the 10 day target was exceeded with 35.6% being due to the council needing to wait for further information from either the customer or officers and 31.1% due to other work commitments. The Committee were informed that the main areas for concern were around the quality of service, and in particular the perceived failure to respond to customers in a timely manner and some concerns around the highways service.

In connection with Corporate Complaints there had been a reduction of the stages in the Corporate Complaints procedure from 3 to 2. It was reported that since the 1st September 2008 the Council had received 17 Stage 2 complaints of which 7 customers had been advised, in agreement with the

relevant Business Manager/Head of Service that no further value could be added to the Stage 1 response. A further 3 were not upheld, 1 was withdrawn, 1 was outside the Council's jurisdiction and 5 were under investigation

With effect from 1st September the Council began to administer Parish and Member enquiries for those who wished to use the feedback system (Respond) of which 15 Parishes and 21 Members had. To date the Council had responded to 79.3% Parish Enquiries and 82.8% Member enquiries within 10 working days.

Members were referred to the appendices within the report which outlined in greater depth an analysis of complaints, enquiries and satisfaction levels for the overall reporting period.

RESOLVED – that the Customer Feedback Performance Annual Monitoring Report for 2008/09 be noted.

AUC-19 2008/09 ANNUAL REPORT – CORPORATE ANTI-FRAUD AND CORRUPTION ACTIVITY

The Committee received the report of the Interim Corporate Director: Resources which requested Members to consider the 2008/09 Annual Report on the Corporate Anti-Fraud and Corruption activity. The report set out the Corporate Anti-Fraud and Corruption activity for 2008/09 to enable the Audit Committee to monitor the policy's operation.

The Anti-Fraud and Corruption Policy was reviewed and updated in September 2008. The policy supports one of the key dimensions of good Corporate Governance – Standards of Conduct. The Council aim was to ensure that all those associated with the Council maintained high standards of ethics and conduct in public life contributing to good corporate governance.

Nationally due to the economic climate there had been indications from the Police that fraudulent activity had and would continue to increase during the recession. Therefore it was important that the Council continued to maintain its vigilance in respect to Council services and the Community.

The report contained information about counter fraud and investigation activities within Benefits, Internal Audit and Trading Standards, including Licensing. The Committee were requested to note that the Council's procedures and controls were designed to minimise the opportunity for fraud and to highlight where possible activity that may have occurred.

In connection with benefits the caseload had steadily increased over the last 12 months, from 16,057 (live cases) in March 2008 to 17,424 in March 2009, an 8.5% increase over the year. It was expected that this figure would increase further over the coming months particularly given the continuing economic climate.

The Council had followed the Department for Work & Pensions (DWP) lead in "securing the gateway". The DWP aim at 'getting it right, and keeping it right' i.e. ensuring only those properly entitled were granted and paid benefit. To

this end, the Council had embarked on visiting as many benefit claimants as possible in their homes. This ensured the best possible service for the customer, made sure that the information obtained was accurate, made the customer aware of their responsibilities, and ensured that performance targets were met. During 2008/09 1,460 successful visits were undertaken to check the accuracy of ongoing benefit awards. In addition the Benefits Team undertook a home visit on over 50% of the new benefit claims that were made to the Council before the claim was submitted for payment. This ensured that all reasonable checks had been made to make sure that the gateway into the benefits systems was secured from the outset.

Members were referred to a table within the report which detailed the referrals to the Benefits Investigation team, the sources, number and percentage of total.

Members were also informed that the Housing Benefit Matching Service (HBMS) produced 73 referrals for the team in 2008/09, 42 of which had achieved a positive result. It was also mentioned that the Council now undertook internal checks in respect to monthly data matches with all new starters. This ensured that all changes in circumstances had been declared. During the period, the Council undertook 8 staff investigations, with one investigation resulting in a formal caution.

For the first time, the National Fraud Initiative (NFI) also produced matches against 'Single Person Discount' cases for Council Tax. This was a mandatory exercise produced by the Audit Commission, which identified a total of 2,591 cases for investigation. Of these, 225 had been identified as potentially fraudulent, 72 of which failed to respond (resulting in £31,334 of discount being removed). The total amount of discount removed to date as part of this exercise was £71,606.87.

The Benefit Investigation Team also received 1296 referrals and using a risk based approach 683 was investigated with 309 proving positive. Of this total, 80 cases received a formal sanction with the breakdown of the sanctions applied in these 80 cases being indicated within the report. As a result of concluded successful prosecutions fines totalling £3,515 were imposed and costs awarded in the sum of £1,400. The total amount of overpayments claimed back totalled £464,625.

Members were reminded that publicity of cases had been identified as a deterrent with the issue of press releases informing about forthcoming prosecution cases with these being followed up when the result of the case was known together with any punishment. The Council also participated in the national poster campaign instigated by the Department of Works and Pensions that targeted benefit fraud. Internally a quarterly newsletter was distributed to all staff together with publication on the Intranet which highlighted the work of the Benefit Fraud Team – this provided details of case studies, statistics and general information of the team.

It was further noted that Internal Audit had an important role in the investigation of suspected internal fraud and assisting managers in ensuring

they had appropriate systems and controls in place that were designed to prevent or reduce the opportunity for fraud.

The Committee were advised that annually days were allocated within the risk based audit plan to undertake proactive fraud work and work in areas where previous frauds had occurred. This work was informed by a Fraud Risk register which was developed for 2008/09 and has been updated for 2009/10. In addition to good practice and local internal intelligence, this register was also part of the West Midlands Fraud Group. Members were referred to Appendix A within the report which outlined a summary of the risk areas, types of fraud and audit action taken during 2008/09.

In addition to proactive fraud work and continuous advice and guidance to managers, Internal Audit also received potentially irregular activities reported to them throughout the year for investigation, details of these investigations being outlined within Appendix B of the report.

The majority of investigations undertaken resulted in improvements to procedures, controls and training and awareness for employees, during this reporting period one employee was dismissed following a disciplinary hearing.

Overall the number of days work undertaken on suspected fraudulent activities during 2008/09 was 115.5 days. These days were taken from the allowed contingency (175) or by re-allocating planned audit time after consultation with the appropriate Head of Service.

The council also had a statutory responsibility to provide data to the Audit Commission for the prevention and detection of fraud as part of the National Fraud Initiative (NFI). NFI was an exercise that sought to match electronic data within and between audited bodies to prevent and detect fraud. The Council was required to provide a number of datasets to specifications as set out by the Audit Commission in October 2008 and the particular data that was included was indicated within the report.

The Council also ensured that both Members and Officers were aware of their responsibilities in respect to the Council's Anti-Fraud and Corruption policy. In addition to member induction two Member Information Seminars on Governance, Risk and Fraud were held in October 2008 and March 2009.

For officers there was also the Code of Conduct for Employees and High Standards Cards which were also included in induction sessions and personal information folders. A Booklet had been provided to Managers and a leaflet to all employees, with copies being available on the Intranet. The local Code of Good Governance was updated in May 2008 and Good governance leaflets were developed for members and officers. These were included in employee's November payslips. It was also noted that the Speak Up leaflet was also re-issued during 2008 following update of the policy in late January 2008. It was reported that the High Standards Cards would be re-issued to all officers and members when the new Chief Executive had been appointed.

The Committee's attention was also drawn to the work of Trading Standards and Licensing both of which played a significant role in delivering the

Council's response to business related fraud in the borough. The majority of the responses were based around statutory responsibilities refined to provide effective detection and countermeasures in respect to fraud. Further details were outlined within the report for both of these particular services. In particular the individual work within the Scambusters Team and the Loan Shark Team were particularly identified.

Finally Members were referred to those challenges for 2009/10 which were outlined in the report.

RESOLVED – that the 2008/09 Annual Report on Corporate Anti-Fraud and Corruption Strategy be noted.

AUC-20 RESULTS OF THE SKILLS AUDIT – JUNE 2009

Members received a briefing note that had been prepared by the Audit & Risk Manager following the completion of the recently completed skills audit. It was reported that all of the Committee had responded positively to the audit and all had concluded that they had a good grasp of the required skills in order to operate effectively. A number of members had highlighted specific areas where it was considered that some benefit would be obtained following further refresher training.

In connection with the request that consideration be given to whether it was felt that an appointment of a co-optee should be considered it was felt that the Members had the sufficient financial expertise to enable them to effectively engage with financial reporting. As a result it was agreed that the appointment of a co-optee would not be pursued at this time.

In connection with training it was noted that there would be a training session on the Council accounts prior to the Audit Committee to be held on 23rd September and in relation to Treasury Management on 6th October 2009.

RESOLVED – that

- (a) the contents of the report following the completion of the skills audit be noted with refresher training in the areas identified to be arranged, and;
- (b) the proposal to pursue the appointment of a co-optee to the audit Committee is not agreed.

AUC-21 UPDATE ON BUSINESS CONTINUITY PLANS – CHILDREN & YOUNG PEOPLE SCHOOLS LEA AND REVENUES & BENEFITS

Following the previous meeting and the requests of the Audit Committee the Audit & Risk Manager provided an update report in relation to the Business Continuity Plans for Children & Young People – Schools within the LEA and for the Revenues & Benefits Service should they be adversely affected by a pandemic situation e.g. swine flu. Members were referred to the tabled update reports that had been obtained as a result of the enquiries being concluded.

In connection with Children & Young People – Schools within the LEA the situation was in the overall control of the CYP Capital & Facilities Manager. He was working very closely with the Operations Manager – Civil Resilience and the Head of Prevention & Protection. It was further reported that the Head of Prevention & Protection had weekly briefing sessions with a number of officers within the Council. There were further weekly meetings with the PCT to ensure that there were appropriate and direct communications between the two agencies.

It was further reported that a letter had been sent to all parents on the 8th July from the Corporate Director Children & Young People, regular emails were also sent to all Headteachers with the Cabinet Member Councillor S. Burrell copied into all updates that were sent to schools and parents. All schools had been reminded to ensure that their contact details for staff and pupils were available out of hours and during the weekends. Members were informed that Environmental Health had recently conducted an audit of toilet and hand washing facilities in all schools and child care settings and where necessary had made recommendations for improvements. All schools were also given the Health Protection Agency guidance on infection control.

On 2nd July the Country had moved from a containment phase to a treatment phase, in order to manage the current pandemic. This had resulted in cases no longer being confirmed by laboratory testing but with GPs following clinical observation, followed by dispensing anti-virals. As a result it was considered unlikely that schools would be closed unless the teaching and support resources were severely affected by the virus or if there was a public health issue.

The Committee were further informed that the Capital & Facilities Manager would continue to meet with the groups that had been mentioned and to liaise and advise the schools on the latest situation. It was further noted that to ensure business continuity within the Capital & Facilities section the Manager had kept his team, the Corporate Director: Children & Young People, the Cabinet Member; Children & Young People and the Senior Leadership Team fully up to date with the latest developments.

It was commented by Members as to whether the Cabinet Assistant could also be included in relation to the reporting in the circumstances that any element of the BCP was initiated. It was also enquired as to whether the plan could be amended to ensure that if any individual schools or other settings were closed that the relevant ward member(s) should also be informed. The Risk & Audit Manager confirmed that she would check the situation into the points that had been raised.

Members also received a briefing note in connection with the detailed arrangements that had been established for business continuity planning for Revenues & Benefits and ICT.

In connection with ICT it was reported that as part of the current infrastructure project ICT had built in BCP measures that would support the Council's ICT infrastructure and the support service areas. In relation to the effects of a

pandemic on ICT officers and any third parties that ICT would be reliant on, the Head of ICT had tasked his business managers with the development of a BCP that would mitigate as far as possible any effects a pandemic would have. Members were informed that this initial work had been completed and a draft plan had been submitted to the Head of ICT for approval together with Regulation & Resilience for comment. Internal Audit had viewed the draft plan and was assured that the documented actions would mitigate the effect of the pandemic on the Council's ICT service.

It was also noted that Revenues & Benefits did have a BCP in place but this was based on the current resources available. However, the implementation of the new ICT infrastructure would enable an improved response in the long term to a pandemic outbreak or other incident. The current plan did require further development and testing to ensure resilience in respect to the possibility of a significant number of Revenues & Benefits officers were off work and agency staff were unavailable.

Revenues & Benefits had identified additional actions in respect to an outbreak of a pandemic nature which could be effected in order to maintain some level of the benefits service. In particular there were six laptops which could be used by benefit assessors and an additional 4 home broadband links which could be used by application support staff for the generation of benefit payments and associated batch processing. In the case that a significant number of benefit assessors were absent from work the laptops could be allocated to assessors to work from home in order to lessen the risk of catching any pandemic outbreak from colleagues. However, it had to be noted that performance would be slower but the arrangements would enable a minimum level of service.

The Committee were also requested to note that the planned recovery time objective for benefits processing was ten days and in the majority of cases the current pandemic had a recovery period of ten days so it had been anticipated that even if a large proportion of benefit assessors became ill at the same time many would return to work within the 10 day period for recovery of the service.

Members formally thanked the Audit & Risk Manager for the work that had been involved in the compilation and preparation of the briefing papers.

RESOLVED – that the Briefing Papers in connection with Business Continuity Plans for the Children & Young People – Schools and the Revenues & Benefits Service be noted.

AUC-22 REVIEW OF THE KEY STRATEGIC RISK REGISTER – MAY 2009

The report of the Interim Corporate Director: Resources was received which sought the Committee to note the revised changes to the key strategic risk register following the review that had been undertaken in May 2009.

The Committee was reminded that the Council was required to review the Key Strategic Risk Register regularly in order to reflect the constant changes affecting the Council, its risks and the effectiveness of the controls

implemented to manage these risks. The last formal review of Key Strategic Risks took place during January 2009 and was approved at Cabinet in February 2009 and reviewed by the Audit Committee in March 2009. The results of the May 2009 review of Key Strategic Risks were shown in Appendix A.

In connection with the review that had been undertaken it was reported that no new risks had been identified during this review; however the residual score for strategic risk 30 had been increased to 7 which now made this a key strategic risk. It was also noted that a number of risk owners had changed in accordance with the current restructuring. Members were referred to the table and Appendix A within the report that detailed further information following the recent review.

Members were informed that no risks had been removed as a result of the review. The Committee were requested to note that in January 2009 there were 19 key strategic risks identified on the key strategic risk register however following the review there were now 20 key strategic risks. The next review was planned for September 2009. It was further reported that when the revised Corporate Management Team was in place in the Autumn a complete refresh of all risks would be undertaken.

Councillor I.T.W. Fletcher enquired as to whether the reports had been completed in connection with Risk Number 29 as it had been indicated that these were due in May 2009, and enquired why there had been a delay. The Audit & Risk Manager confirmed that she would investigate this and report back to Members.

Councillor I.T.W. Fletcher also enquired as to whether the risk had been identified in relation to the consultation that had been undertaken in connection with the Regional Spatial Strategy – Phase 3 and as to whether it should be included within the risk register. Again by way of response the Audit & Risk Manager confirmed that she would investigate this further and report back to Members.

RESOLVED – that the changes to the Key Strategic Risk Register as outlined in paragraph 6.3 and Appendix A of the report be noted.

AUC-23 DATES OF FUTURE MEETINGS

The Committee noted the future dates of meetings that were scheduled to be held for the remainder of the 2009/10 Civic Year. Members were also reminded of the planned training sessions that would be held on 23rd September 2009 (Training Session on the Final Council Accounts) and the 6th October 2009 (Treasury Management)

AUC-24 EXCLUSION OF PRESS AND PUBLIC

RESOLVED – that the press and public be excluded from the meeting for the following item of business on the grounds that it may involve the likely disclosure of information as defined in Paragraphs 1, 2, 3 and 7 of Part 1 of Schedule 12A Local Government Act 1972.

**AUC-25 INTERNAL AUDIT UPDATE ON QUARTER 1 UPDATE
REPORT 2009/10 (APRIL – JUNE 2009)**

The Committee received the joint report of the Head of Finance & Audit and the Audit & Risk Manager which sought to provide an update on the work of Internal Audit during Quarter 1 – which covered the period April – June 2009. The report also provided an update on the progress of previous audit reports that were issued in the period January 2008 to March 2009.

It was noted that Internal Audit activity during this period had focussed on the completion of the audits set out in the Internal Audit Plan with a key focus on the completion of the annual fundamental audits from 2008/09. It was further reported that key work undertaken during this period included a review of performance indicators and their associated data quality systems. This work had just been completed and it was noted that this would be reported to the Committee at the next meeting. It was further reported that work on the Pupil Referral Units had been undertaken following a request from the relevant Business Unit Manager earlier in the year. The Team had also completed the final accounts audit for Adams Grammar School and fraud and compliance work to meet the requirements of the External Auditor as identified in the Internal Audit Fraud Risk Register.

Members were referred to the appendices attached to the report which included a list of the final reports that had been issued within quarter one which also contained following the previous request of Members to include the budgeted and actual time information, with their respective grading, a schedule of all of the work that had lasted for more than one day within the quarter, a list of all the graded reports from January 2008 to March 2009 and their current status and the provision of further information in connection with the two amber reports that had been issued during this particular quarter.

RESOLVED – that the update report in connection with Quarter One (April – June 2009) be noted.

The meeting ended at 7.00 pm.

Chairman:

Date: