

**Committee on Climate Change - Audit Committee Meeting Minutes**  
**11<sup>th</sup> December 2009 - Manning House**

**Attending:**

<b>Committee Members:</b>	Julia King ( <b>Chair</b> ), Sam Fankhauser, Robert May
<b>National Audit Office:</b>	Maggie McGhee (conf call)
<b>BIS Internal Audit:</b>	John Coubrough, Jon Whitfield
<b>DECC Sponsorship Team:</b>	Donald Sproson
<b>CCC Accounting Officer:</b>	David Kennedy
<b>CCC Secretariat:</b>	Rachel Hall, Swati Khare-Zodgekar

**Apologies:**

Mark Babington, NAO

**Key Points:**

The Chair opened the meeting and welcomed all attendees.

**Internal Audit Plan**

Jon Whitfield and John Coubrough from Internal Audit within BIS introduced themselves and outlined their proposed internal audit programme. This would focus on financial controls, risk management and a corporate governance exercise.

The Audit Committee (AC) queried the impact of the audit work on the workload of the Secretariat, given the small size of the CCC and the level of duplication involved in internal and external audit work.

Internal Audit assured the AC that their approach to the audit would be the audit would be proportionate for a business the size of the CCC. Further, NAO confirmed that they had already met with Internal Audit to agree a joined-up approach to ensure that the NAO did not duplicate work previously undertaken by Internal Audit.

The AC thanked Jon and John for their contribution and approved the internal audit programme.

**Risk Management**

The AC reviewed the risk register and commented on its ease of understanding and the high quality of relevance of the risks.

The AC endorsed the register and agreed that it would reviewed by the AC every six months and that it should be discussed at the CCC committee meeting annually.

**Action 1:** Risk register to be reorganised in line with RAG status (Swati Khare-Zodgekar)

**Action 2:** Risk Register to be discussed at committee meeting in Feb - Mar 2010 (Swati Khare-Zodgekar)

### **NAO Update**

Maggie McGhee, NAO provided an update on three areas of work:

**NAO management letter:** The NAO had raised four issues in its management letter following the publication of the 2008-09 accounts. The CCC accepted recommendations for all four issues. The NAO was comfortable that the CCC was taking appropriate steps to implement the recommendations.

**Implementation of IFRS:** The NAO noted that CCC submitted a well presented set of IFRS compliant accounts for 2008-09. There was only one adjustment required related to employee accrual. NAO advised that the final audit opinion would be issued by the end of December. This would be qualified on a matter of disagreement relating to the IBM contract between Defra and IBM for the provision of IT equipment to Defra and other bodies including the CCC.

**NAO audit for 2009-10:** The NAO outlined the approach for the 2009-10. This would be on a substantive basis keeping in mind that this was the CCC's first full year operating as an independent body and therefore its corporate governance and internal controls were still developing. The NAO explained that reliance would be placed on internal audit work to ensure no duplication of work.

The AC thanked Maggie for the update and welcomed the NAO's planned visit to discuss corporate governance with the CCC management team.

**Action 3:** NAO to visit CCC management team on 3 Feb to discuss corporate governance (Swati Khare-Zodgekar)

### **AOB**

The AC commented on the need for pragmatic procurement for specialist technical consultancy work to ensure value for money. David Kennedy stated that in designing and procuring the latest round of consultancy the secretariat had consulted with the Royal Society, invited consultancies and academics as appropriate and will work closely with Committee members on project implementation.

The AC and other attendees noted the proposed dates for the audit committee meeting for 2010.

The Chair thanked all members for their time and closed the meeting.

The next meeting is scheduled for Friday 19 March 2010.

**Action 4:** Add discussion of consultancy work to Committee meeting agenda (David Kennedy)

**Action 5:** NAO to send details of single tender governance process followed in JNCC (Maggie McGhee)

**Next meeting 19<sup>th</sup> March 2010**

## Summary of Actions:

No	Action	Owner	Complete
<b>Meeting dated 25 June 2009</b>			
1	The Secretariat to begin process of developing a CCC business continuity plan and circulate in advance of 19 March meeting.	Swati Khare-Zodgekar	
2	The Committee to consider who the report's audience was, and how best to use the Annual Report and Accounts as an opportunity to highlight achievements.	David Kennedy	
<b>Meeting dated 11 December 2009</b>			
1	Risk Register to be reorganised in line with RAG status order	Swati Khare-Zodgekar	
2	Risk Register to be discussed at committee meeting in Feb - Mar 2010	Swati Khare-Zodgekar	
3	NAO to visit CCC management team on 3 Feb to discuss corporate governance	Swati Khare-Zodgekar	
4	Add discussion of consultancy work to Committee meeting agenda	David Kennedy	
5	NAO to send details of single tender governance process	Maggie McGhee	