

WAVERLEY BOROUGH COUNCIL

MINUTES OF THE AUDIT COMMITTEE – 26 JUNE 2012

SUBMITTED TO THE COUNCIL MEETING – 17 JULY 2012

(To be read in conjunction with the Agenda for the Meeting)

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| * Cllr Tom Martin (Chairman) | Cllr David Munro |
| Cllr Stephen Mulliner (Vice-Chairman) | Cllr Elliot Nichols |
| Cllr Jim Edwards | * Cllr Donal O’Neill |
| * Cllr Stephen Hill | |
- * Present

1. ELECTION OF CHAIRMAN (Agenda Item 1)

RESOLVED that Cllr Tom Martin be elected Chairman of the Committee for the Council year 2012/2013.

2. ELECTION OF VICE-CHAIRMAN (Agenda Item 2)

RESOLVED that Cllr Stephen Mulliner be elected Vice-Chairman of the Committee for the Council year 2012/2013.

3. MINUTES (Agenda Item 3)

RESOLVED that the Minutes of the Meeting held on 20 March 2012 be confirmed and signed.

4. APOLOGIES FOR ABSENCE (Agenda Item 4)

Apologies for absence were received from Cllrs Jim Edwards, Stephen Mulliner and David Munro.

5. DISCLOSURE OF INTERESTS (Agenda Item 5)

There were no interests raised under this heading.

PART I – RECOMMENDATIONS TO THE COUNCIL

There were no matters falling within this category.

PARTS II AND III – MATTERS OF REPORT

Background Papers

The background papers relating to the following report items in Parts II and III are as specified in the agenda for the Audit Committee.

Part II – Matters Reported in Detail for the Information of the Council

There were no matters falling within this category.

Part III – Brief Summaries of Other Matters Dealt With

6. **TERMS OF REFERENCE**

The Audit Committee reviewed its Terms of Reference and

RESOLVED that the Terms of Reference be endorsed with no need for any amendments.

7. **REVIEW OF PROGRESS IN IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS**

The Committee was provided with an updated version of Annexe 1 to the report and reviewed the progress made to date in implementing Internal Audit recommendations. The Committee then agreed that the following actions should be taken with regard to a number of outstanding recommendations:-

IA12/21.003	Review and update Data Protection Act [IT Governance and Strategy]	Agreed to extend date to 13.07.12. (mid July)
IA12/25.003	Refresher Training [Data Protection]	Agreed to extend date to 27.07.12. (end July)

The Committee then discussed a request to revise a recommendation agreed in the Network Operation System Security Audit of August 2011 which recommended that the password arrangements should be changed. Since implementing the change, the IT helpdesk had experienced an increase in calls relating to password incidents. Advice had been sought from neighbouring authorities and the current internal audit providers about best practice.

RESOLVED that

1. the actions to the outstanding recommendations be approved as set out in the table above; and
2. the password arrangements be revised as discussed.

8. **ANNUAL GOVERNANCE STATEMENT**

The Committee received the Annual Governance Statement which sets out the key elements of the Council's internal control framework and identifies any issues that need addressing in the coming year.

RESOLVED that the Annual Governance Statement for 2011/2012 be approved, as attached as Annexe 1, for information.

9. ANNUAL INTERNAL AUDIT REPORT FOR 2011-12

The Committee received a report summarising the work carried out by Internal Audit during the financial year 2011-12 and providing an assurance opinion to support the Annual Governance Statement.

RESOLVED that the progress and activity completed by the Audit Service in 2011/2012 be noted.

10. INTERNAL AUDIT PLANS 2011/12 AND 2012/13

The Committee's terms of reference include provision for the Committee to comment on the progress made in the Audit Plan. The Committee received an update on the current position of the reviews in the 2011/12 and 2012/13 plans.

RESOLVED that

1. the current status of the 2011/2012 Audit Plan be noted; and
2. the progress of the 2012/2012 Audit Plan be noted.

11. RISK MANAGEMENT FRAMEWORK

[This item contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in Paragraph 3 of the revised Part 1 of Schedule 12A to the Local Government Act 1972, namely;-

Information relating to the financial or business affairs of any particular person (including the authority holding that information).]

The Committee received a report on the continued effectiveness of the current Risk Management Policy and Process Document and presenting a snapshot of the corporate risk registers for members to consider. The Committee supported looking at the individual risk registers in detail and asked officers to arrange a specific additional session to facilitate this.

During consideration of the item, it was agreed to go into exempt session so that the Deputy Chief Executive could provide the Committee with additional information about one of the risks causing them concern. All risks would be discussed in more detail at the additional session.

RESOLVED that the revised Risk Management Policy and Process Document be approved and a specific additional session for the Audit Committee to review the risk registers in detail be arranged to take place at the earliest opportunity.

The meeting commenced at 7.00 p.m. and concluded at 7.40 p.m.

Chairman