

WAVERLEY BOROUGH COUNCIL

MINUTES OF THE AUDIT COMMITTEE – 19 MARCH 2013

SUBMITTED TO THE COUNCIL MEETING – 23 APRIL 2013

(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

29. MINUTES (Agenda Item 1)

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

30. APOLOGIES FOR ABSENCE (Agenda Item 2)

An apology for absence was received from Cllr Jim Edwards.

31. DISCLOSURES OF INTERESTS (Agenda Item 3)

There were no interests declared 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

32. REVIEW OF PROGRESS IN IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS (Agenda Item 5; Appendix A)

The Audit Committee reviewed the progress made to date in implementing Internal Audit recommendations. The Committee was pleased to note that Heads of Service had been working well towards achieving their audit recommendations, with the majority of actions on track to be completed by their due dates.

The Committee was informed that appropriate PACE training had been identified, however it was felt that other members of staff in areas such as Environmental Health and Licensing could also benefit from training and therefore it was being considered whether it would be better value to hold an in-house training session.

It was noted that a suitable Land Charges system had been identified to replace the Lotus Notes database, however alternative systems were being investigated which would provide better interconnectivity with other systems used within the Council.

The Committee was informed that the necessary operational action regarding rent arrears had been taken, but that it would require additional time for the procedures to be built into Council Policy.

The Committee then agreed that the following actions should be taken with regard two of these recommendations:-

IA13/19.002	Lotus Notes Migration [Land Charges]	Agreed to amend target date to 30.06.13
IA13/20.001	Rent Arrears Recovery Procedure [Housing Rents]	Agreed to amend target date to 30.09.13

RESOLVED that the actions to the audit recommendations be approved as set out above.

33. INTERNAL AUDIT PLAN 2012/13 (Agenda Item 6; Appendix B)

The Committee received an update on the current position of the reviews in the 2012/13 internal audit plan. It was noted that the contactor and in-house service were achieving good progress and many of the remaining targets were due to be completed in the near future.

RESOLVED that the current status of the 2012/13 Audit Plan be noted.

34. PROPOSED AUDIT PLAN FOR 2013-14 (Agenda Item 7; Appendix C)

The committee received the draft internal audit plan for 2013-14.

The Committee noted that the number of days allocated to the contractor would not be reduced. The Internal Audit Client Manager explained that due to the demands of corporate fraud initiatives, including Fighting Fraud Locally, her audit plan days to carry out reviews would be reduced to 30 for 2013-14.

Members of the Committee felt that it would be beneficial to see how all the functions within the Housing service related to each other, thus making it easier to see how changes in one area would affect another. The Strategic Director responsible for Housing agreed to produce an organisational chart showing who led each function and how the areas fitted together.

RESOLVED that the draft Internal Audit Plan for 2013-14 be adopted.

35. NATIONAL FRAUD INITIATIVE 2012-13 (Agenda Item 8; Appendix D)

The Committee received the most recent output from the National Fraud Initiative data-matching exercise, which highlighted instances where people were receiving gain that they were not entitled to. It was noted that the work was time-consuming but very beneficial as the NFI exercise in 2010-11 had identified overall savings of £78,195.

Officers explained that they would be working with Surrey County Council to identify where individuals were receiving council tax discounts, such as for single occupancy, which they were no longer entitled to. It was noted that the financial benefit was proportional to the precept and therefore it was beneficial to Surrey that they be involved. The Committee suggested that in light of this, it could be useful to try to involve the Police Authority as they would also gain from any savings identified.

The Internal Audit Client Manager agreed to provide the Committee with a progress report in six months time to show how the investigations were progressing.

RESOLVED that the progress made in carrying out data-matching checks be noted.

36. RISK MANAGEMENT POLICY AND PROCESS DOCUMENT (Agenda Item 9; Appendix E)

The Committee received an updated version of the Risk Management Policy and Process Document. The Head of Finance explained that the Risk Management Officer Group had been removed, and instead the Heads of Service Team would regularly review operational risks registers.

The Committee noted that it would now be the responsibility of the Heads of Service to raise awareness of risk issues within their own service, however felt that someone also needed to be responsible for Council-wide risk awareness.

The Committee agreed to reinstate the responsibility to raise awareness of risk issues across the Council and promote good risk management practice within the remit of the Head of Finance.

The Strategic Director for Housing added that the Housing Delivery Board should be included in the list of Specific Member/Officer working groups listed at 5.6 of the document and the Committee agreed this.

RESOLVED that the Risk Management Policy and Process Document be adopted with the additions set out above.

The meeting commenced at 7.00 p.m. and concluded at 7.45 p.m.

Chairman