

To: All Members of the AUDIT COMMITTEE  
(Other Members for Information)

When calling please ask for:  
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Calls may be recorded for training or monitoring  
Date: 10 November 2017

### **Membership of the Audit Committee**

Cllr John Gray (Chairman)	Cllr Nicholas Holder
Cllr Richard Seaborne (Vice Chairman)	Cllr Jerry Hyman
Cllr Mike Band	Cllr Anna James
Cllr Pat Frost	Cllr Stephen Mulliner

Dear Councillors

A meeting of the AUDIT COMMITTEE will be held as follows:

DATE: MONDAY, 20 NOVEMBER 2017  
TIME: 7.00 PM  
PLACE: COMMITTEE ROOMS 3 & 4, COUNCIL OFFICES, THE BURYS,  
GODALMING

The Agenda for the meeting is set out below.

Yours sincerely

ROBIN TAYLOR

Head of Policy and Governance

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## **NOTE FOR MEMBERS**

Members are reminded that contact officers are shown at the end of each report and members are welcome to raise questions etc in advance of the meeting with the appropriate officer.

## **AGENDA**

1. **MINUTES**

To confirm the Minutes of the Meeting held on 26 September 2017 (to be laid on the table half an hour before the meeting).

2. **APOLOGIES FOR ABSENCE**

To receive apologies for absence.

3. **DISCLOSURE OF INTERESTS**

To receive from Members, declarations of interests in relation to any items included on the Agenda for this meeting, in accordance with the Waverley Code of Local Government Conduct.

4. **QUESTIONS BY MEMBERS OF THE PUBLIC**

The Chairman to respond to any questions received from members of the public of which notice has been duly given in accordance with Procedure Rule 10.

5. **ANNUAL AUDIT LETTER 2016/17 (Pages 7 - 22)**

The attached Annual Audit Letter, produced by Grant Thornton, summarises the key findings arising from the work they have carried out at Waverley Borough Council for the year ended 31 March 2017.

The Letter provides a commentary on the results of Grant Thornton's work to the Council and its external stakeholders, and highlights issues they wish to draw to the attention of the public.

**Recommendation**

**It is recommended that the Audit Committee receives and comments on the Annual Audit Letter from Grant Thornton.**

6. **FINANCIAL REGULATIONS UPDATE**

The Audit Committee is asked to consider the revised Financial Regulations (to

follow) and recommend them to the Council, in compliance with Audit Committee Terms of Reference under Article 8 of the Constitution. Specifically, the Audit Committee is required to maintain an overview of the Council's Constitution in respect of financial regulations.

Recommendation

**It is recommended that the Committee recommends the revised Financial Regulations to the Council for adoption.**

7. ANNUAL GOVERNANCE STATEMENT 2017/2018 (Pages 23 - 38)

The purpose of this report is for the Audit Committee to consider governance progress in relation to informing the Annual Governance Statement (AGS) for the year ended 31 March 2018.

Recommendation

**It is recommended that the Audit Committee:**

- 1. reviews the 2016/17 Annual Governance Statement and pass comment for development of the 2017/18 statement;**
- 2. identifies and considers any internal governance issues; and**
- 3. considers any issues in the public domain from a governance perspective.**

8. RISK MANAGEMENT UPDATE (Pages 39 - 72)

This report presents the latest corporate risk register as refreshed by Heads of Service.

Recommendation

**It is recommended that the Audit Committee considers the revised corporate risks register at (Exempt) Annexe 1 and passes comments and observations to officers.**

9. AUDIT COMMITTEE TERMS OF REFERENCE 2017/18 (Pages 73 - 76)

Each year, the Audit Committee is invited to review its Terms of Reference. The attached document includes changes that have been proposed in consultation with officers.

Recommendation

**It is recommended that the Audit Committee:**

- 1. reviews its terms of reference; and**
- 2. recommends to the Standards Committee that the highlighted**

**amendments be adopted by Council.**

10. INTERNAL AUDIT PLAN PROGRESS (Pages 77 - 80)

The Committee's Terms of Reference include provision for the Committee to comment on the progress made in the achievement of the Audit Plan. An update on the current position of the reviews in 2017/18 is presented.

Recommendation

**It is recommended that the Committee:**

- 1. receives the progress report for the Internal Audit Plan 2017/18, as attached at Annexe 1 and make any comments to officers; and**
- 2. endorses the deferral of the review on the Approval of Invoices on Agresso and approves the new additional review of Income Streams.**

11. PROGRESS ON THE IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS (Pages 81 - 84)

To inform the Audit Committee of Senior Management's progress in implementing the recommendations raised by Internal Audit following a review in their service areas. This report will enable the Committee to consider what action is required in respect of those that are overdue or appear likely to be implemented later than the target date.

Recommendation

**It is recommended that the Committee:**

- 1. considers the information contained in Annexe 1 and, following discussion at the Audit Committee meeting, identifies any action it wishes to be taken; and**
- 2. notes the progress on the project to implement the new GDPR requirements and provides any comments to officers.**

12. FRAUD INVESTIGATION SUMMARY (Pages 85 - 90)

The report provides an update to the Committee on the progress made by Waverley Borough Council officers on the work being completed in investigating all types of fraud, primarily focusing on Housing Tenancy fraud, enhanced by the co-operation and supported by all the members of the Surrey Counter Fraud Partnership and extended partners including Registered Social Landlords.

Recommendation

**That the Audit Committee notes the success of the investigation activity and the results achieved.**

13. COMMITTEE RECURRENT WORK PROGRAMME (Pages 91 - 92)

Recommendation

**The Audit Committee is invited to note the recurrent annual work programme, attached.**

14. CONSIDERATION OF WEBCASTING AUDIT COMMITTEE MEETINGS

The Committee to consider whether to webcast future meetings of the Audit Committee.

15. EXCLUSION OF PRESS AND PUBLIC

To consider the following recommendation on the motion of the Chairman:

Recommendation

That pursuant to Procedure Rule 20 and in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following item(s) on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the item(s), there would be disclosure to them of exempt information (as defined by Section 1001 of the Act) of the description specified in the appropriate paragraph(s) of the revised Part 1 of Schedule 12A to the Local Government Act 1972 (to be identified at the meeting).

16. ANY OTHER ISSUES TO BE CONSIDERED IN EXEMPT SESSION

To consider any matters relating to aspects of any reports on this agenda which, it is felt, may need to be considered in exempt session.

**For further information or assistance, please telephone  
Amy McNulty, Democratic Services Officer, on 01483 523492 or by  
email at amy.mculty@waverley.gov.uk**