

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: 13 March 2015

Membership of the Audit Committee

Cllr Richard Gates (Chairman)
Cllr Wyatt Ramsdale (Vice Chairman)
Cllr Jenny Else
Cllr Tony Gordon-Smith

Cllr Stephen Hill
Cllr Peter Isherwood
Vacancy

Dear Councillors

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

DATE: MONDAY, 23 MARCH 2015

TIME: 7.00 PM

PLACE: COMMITTEE ROOM 1, 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 19 November 2014 (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. GRANTS AND CLAIMS 2013/14 (Pages 7 - 12)

To receive the attached Certification report from Grant Thornton.

Recommendation

It is recommended that the Audit Committee receives and notes the contents of the Certification report for 2013/14.

6. DRAFT EXTERNAL AUDIT PLAN 2014/2015 (Pages 13 - 32)

To receive the attached Draft External Audit Plan 2014/2015 from Grant Thornton.

Recommendation

It is recommended that the Audit Committee receives and notes the contents of the Draft External Audit Plan 2014/2015.

7. AUDIT COMMITTEE UPDATE PAPER (Pages 33 - 50)

To receive the attached Audit Committee Update paper from Grant Thornton.

Recommendation

It is recommended that the Audit Committee receives and notes the contents of the Audit Committee Update paper.

8. PROGRESS ON THE IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS 2014/2015 (Pages 51 - 62)

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 considers the information contained in Annexe 1 and identifies any action it wishes to be taken.

9. PROGRESS ON THE INTERNAL AUDIT PLAN 2014-15 (Pages 63 - 70)

The Committee's terms of reference include provision for the Committee to comment on the progress made in the Audit Plan. This report updates the committee on the current position of the Internal Audit reviews detailed in the attached 2014/15 Audit Plan.

Recommendation

1. **It is recommended that the Audit Committee notes the progress for the Internal Audit Plan 2014/15 as attached at Annexe 1.**
2. **The Audit Committee approves the deferral of the Housing Asbestos Review until the 3rd quarter of the 2015-16 Audit Plan.**

10. PROPOSED AUDIT PLAN FOR 2015-16 (Pages 71 - 74)

The Committee's terms of reference include provision for the it to comment on the Internal Audit Client Manager's proposed Internal Audit Plan. This report presents the Draft Internal Audit Plan for 2015-16 and the Committee is invited to comment before the Plan is adopted.

Recommendation

The Audit Committee is invited to comment on the draft Internal Audit Plan for 2015/16 as attached in Annexe 1 and adopt the plan.

11. REVIEW OF CONTRACT PROCEDURE RULES AND FINANCIAL REGULATIONS (Pages 75 - 134)

Audit Committee are asked to pass observations of the revised Contract Procedure Rules and Finance Regulations onto the Executive, 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 contract procedure rules and financial regulations.

Recommendation

It is recommended that the Committee passes their observations of the Finance Regulations and Contract Procedure Rules and tabled amendments onto the Executive.

12. NATIONAL FRAUD INITIATIVE 2014/15 AND THE SURREY COUNTER FRAUD PARTNERSHIP (Pages 135 - 144)

The report provides an update to the Committee on the progress made by officers on the latest results of the Audit Commission's data-matching exercise known as the National Fraud Initiative (NFI).

Recommendation

The Audit Committee is asked to note the activity and progress to carry out these checks and recognise the resources applied by the relevant services to investigate each of the data matches.

13. RISK MANAGEMENT UPDATE (Pages 145 - 170)

This report presents the latest corporate risk registers as refreshed by heads of service with assistance from Zurich Municipal, the Councils insurance and risk management advisors.

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.

14. 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).

15. INTERNAL AUDIT INVESTIGATION - UPDATE

To receive a verbal update from the Director of Finance and Resources.

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
Maureen Brown, Democratic Services Officer, on 01483 523225 or by
email at maureen.brown@waverley.gov.uk**