

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

When calling please ask for:

Amy McNulty, Democratic Services Officer
Policy and Governance

E-mail: amy.mcnulty@waverley.gov.uk

Direct line: 01483 523492

Calls may be recorded for training or monitoring

Date: 13 July 2018

Membership of the Audit Committee

Cllr Mike Band
Cllr Pat Frost
Cllr John Gray
Cllr Jerry Hyman

Cllr Stephen Mulliner
Cllr Sam Pritchard
Cllr Richard Seaborne
Cllr Liz Townsend

Dear Councillors

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

DATE: TUESDAY, 24 JULY 2018

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. **APPOINTMENT OF CHAIRMAN**

To confirm the appointment of Cllr John Gray as Chairman of the Committee for the 2018/19 Council Year.

2. **APPOINTMENT OF VICE CHAIRMAN**

To confirm the appointment of Cllr Richard Seaborne as Vice Chairman of the Committee for the 2018/19 Council Year.

3. **MINUTES**

To confirm the Minutes of the Meeting held on 27 March 2018 (to be laid on the table half an hour before the meeting).

4. **APOLOGIES FOR ABSENCE**

To receive apologies for absence.

5. **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.

6. **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.

7. **QUESTIONS FROM MEMBERS**

The Chairman to respond to any questions received from Members of which notice has been duly given in accordance with Procedure Rule 11.

8. EXTERNAL AUDIT FINDINGS REPORT

To receive the External Audit Finding Report from Grant Thornton (to follow).

Recommendation

It is recommended that the Audit Committee endorses the External Audit Findings Report.

9. STATEMENT OF ACCOUNTS 2017/2018 (Pages 7 - 12)

The purpose of this report is for the Audit Committee to consider and approve the Statement of Accounts for the year ended 31 March 2018.

Recommendation

It is recommended that the Audit Committee

- 1. approves the Statement of Accounts for the financial year ended 31 March 2018;**
- 2. approves the Letter of Representation for 2017/2018; and**
- 3. confirms that the accounts have been prepared on a going concern basis.**

10. ANNUAL GOVERNANCE STATEMENT 2017/18 (Pages 13 - 28)

The purpose of the this report is for the Audit Committee to consider and approve the Annual Governance Statement for the year ended 31 March 2018.

Recommendation

It is recommended that the Audit Committee approves the attached Annual Governance Statement 2017/18.

11. INFORMATION GOVERNANCE STRATEGY (Pages 29 - 40)

Information Governance is a matter that the Audit Committee has shown a keen interest in in recent years. New legislation came into force in May 2018 which has prompted the development of a new Information Governance Strategy.

This report seeks the Audit Committee's comments on the Council's new draft Information Governance Strategy and asks the Committee to endorse the Council's approach to Information Governance.

Recommendation

It is recommended that the Audit Committee provides observations and comments on the draft Information Governance Strategy and endorses the Council's approach to Information Governance as set out in the

Strategy.

12. ANNUAL INTERNAL AUDIT REPORT (Pages 41 - 58)

The Accounts and Audit Regulations 2015 (Part 2 s3) require local authorities to have a sound system of internal control and Internal Audit is part of this system of internal control. Part 2 (s5) of the Regulations state that an authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes. This report is a summary of the work carried out by Internal Audit during the financial year 2017-18 and also provides an assurance opinion to support the Annual Governance Statement on the organisation's control environment.

Recommendation

It is recommended that the Audit Committee endorses the annual the annual report for 2017/2018.

13. PROGRESS ON THE INTERNAL AUDIT PLANS FOR 2017/18 AND 2018/19 (Pages 59 - 64)

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 and 2018-19 is presented.

Recommendation

It is recommended that the Committee notes the completion of the 2017-18 Audit Plan and the progress on the 2018-19 Audit Plan as attached in Annexe 1 and 2.

14. PROGRESS ON THE IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS (Pages 65 - 70)

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, following discussion at the Audit Committee meeting, identifies any action it wishes to be taken.

15. FRAUD INVESTIGATION SUMMARY (Pages 71 - 76)

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.

Recommendation

It is recommended that the Audit Committee notes the success of the investigation activity and the results achieved.

16. COMMITTEE RECURRENT WORK PROGRAMME (Pages 77 - 78)

Recommendation

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

17. 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).

18. FUTURE DELIVERY OF INTERNAL AUDIT FROM APRIL 2019 - UPDATE
(Pages 79 - 80)

To consider the (exempt) report on this matter, attached.

19. 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**