

WAVERLEY BOROUGH COUNCIL

MINUTES OF THE AUDIT COMMITTEE - 8 NOVEMBER 2021

SUBMITTED TO THE COUNCIL MEETING - <DATE>

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

**Present**

Cllr Peter Marriott (Chairman)	Cllr John Gray
Cllr Jerome Davidson (Vice Chairman)	Cllr Richard Seaborne
Cllr Sally Dickson	Cllr George Wilson

**Apologies**

Cllr Jan Floyd-Douglass

**Also Present**

AUD 83/21 MINUTES (Agenda item 1.)

The minutes of the meeting held on 6 September 2021 were agreed as a correct record.

AUD 84/21 APOLOGIES FOR ABSENCE (Agenda item 2.)

Apologies for absence was received from Cllr Jan Floyd-Douglass.

AUD 85/21 DISCLOSURE OF INTERESTS (Agenda item 3.)

There were no disclosure of Interests submitted for this meeting.

AUD 86/21 QUESTIONS BY MEMBERS OF THE PUBLIC (Agenda item 4.)

There were none.

AUD 87/21 QUESTIONS FROM MEMBERS (Agenda item 5.)

There were none.

**PART I - RECOMMENDATIONS TO THE COUNCIL**

There were no matters falling within this category.

**PART II - MATTERS OF REPORT**

AUD 88/21 ANNUAL GOVERNANCE STATEMENT - CONSIDERATION OF POTENTIAL GOVERNANCE ISSUES. (Agenda item 6.)

The Committee were advised that this standing item gave them the opportunity to raise any issues they feel should be discussed at committee.

Cllr Jerry Hyman advised that now we were working in partnership with Guildford Borough Council we needed to ensure we were being compliant with the Habitat Regulations.

It had also been noted that some data going into the assessment may be out of date.

Zac Ellwood, Head of Planning and Economic Development, advised that 2 meetings had been held recently to discuss if we were meeting our statutory regulations and how we were evidencing this. It had been agreed that the evidencing of compliance was possibly not being demonstrated adequately. A number of actions had been developed including:

- Publishing the Appropriate Assessment as an appendices in the report.
- Showing the sign off from Natural England that they are happy with the assessment.
- Will ensure data in assessment is the most recent available.
- The current template would be revisited highlighting how compliance with the avoidance strategy for the Thames Basin was considered if applicable.

**Action:**

- Bring back new template and procedure note in early 2022.**
- Further member training session/s on habitats to be developed.**

The Committee also raised the 'lack of risk' aspects outlined in recent Council reports, specifically the reports on Dunsfold and Joint CEO, which it was felt were cursory at minimum with mitigations but had no outlines on the potential severity of the risks. It was felt the risk matrix outlined in a recent informal briefing should be more robustly applied. The Committee were advised they could raise this with the Executive if they were not happy with this.

**Action: Report to go to the Executive to raise the concerns outlined and Officers be asked to appraise.**

The Committee questioned the recent decisions outlining that the JAC would be in charge of appraisals of the Joint CEO going forward. It was felt the ToR approved in August were not in line with this decision. Paul Follows, Leader, advised that the two leaders had the delegated authority to appraise and had felt that as it was a joint appointment the JAC were best placed.

AUD 89/21 RISK MANAGEMENT (Agenda item 7.)

The Committee were advised that there was little change to report on the Risk Register. Two risks had now been removed regarding Government regulations on public meetings and Dunsfold Planning submissions as they were now obsolete.

The Committee **NOTED** the update.

AUD 90/21 BURY'S DEVELOPMENT PROJECT (Agenda item 8.)

The Committee were advised that the governance procedures and risk structures relating to the Bury's Project came under the Audit Committees remit. They were advised that an options appraisal had been carried out setting out ten options. These had then been narrowed down to 3 and an in-depth appraisal of these three would be carried out. The process had followed the Council's procurement route and regulations and the Terms of Reference had been through Executive for approval.

The Committee were asked if they would like an informal session setting up to view the risk register and PID and agreed this would be required.

Officers were asked if consideration had been given to the effects on productivity with regards to the Where Work Happens project and what would happen if it was found this experiment failed and we needed to revert back to previous working practices 'in-office'. Members were assured this was covered in the project framework.

The Committee **NOTED** the update.

AUD 91/21 REVIEW OF PROGRESS IN THE IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS (Agenda item 9.)

Gail Beaton outlined the review of the progress in the implementation of the internal audit recommendations.

It was highlighted that Annexe 1 showed those actions which had not been implemented yet and Annexe 2 highlighted those actions which the Head of Service had requested an extension with revised dates set out.

The committee discussed the requests and agreed that lessons needed to be learnt in regard to the implementation of these projects.

The Committee considers the information contained in **Annexe 1** and asked for their comments to be taken into consideration.

The Committee considered the Head of Service(s) justification for a request for a change in the agreed target date for the Management Actions (s) listed in **Annexe 2** and **AGREED** the appropriate revised implementation date(s).

AUD 92/21 REVIEW OF THE PROGRESS IN ACHIEVING THE AUDIT PLAN (Agenda item 10.)

The Committee were advised that the Terms of Reference include provision for the Committee to approve, monitor and comment on the progress made in the achievement of the Internal Audit Plan. Gail Beaton gave an update on the current position of the Internal Audit Plan for 2021-22.

The Committee were advised that quite a few of the of the reviews have now been started and some completed since the publication of the agenda with 35% complete and 40% in progress.

The Committee **NOTED** the Internal Audit Progress report.

AUD 93/21 FRAUD INVESTIGATION SUMMARY (Agenda item 11.)

Gail Beaton outlined the Fraud Investigation Summary. She explained it covered the second quarter of 2021/22.

It was felt the previous years' work had caused fraud prevention rather than detection to be the norm which was good.

It was felt that as cases were on the decrease it would be appropriate to reduce the reporting period to twice a year. Gail Beaton advised that she would still be updating the figures quarterly for benchmarking purposes should the committee wish to review .

The Audit Committee **NOTED** the results of the fraud investigation activity, attached in Annexe 1 up to the end of 2<sup>nd</sup> Quarter of 2021-22, 01 April 2021- 30 September 2021 activity.

AUD 94/21 AUDIT COMMITTEE RECURRENT ANNUAL WORK PROGRAMME (Agenda item 12.)

The Committee were advised that the Statement of Accounts would drop to September again for 2022 instead of July.

It was also highlighted that the External Auditors had been unable to meet their deadline this year so the final accounts would be agreed on 29 November meeting. This delay was due to resourcing issues.

**The Audit Committee NOTED its recurrent annual work programme.**

AUD 95/21 EXCLUSION OF PRESS AND PUBLIC (Agenda item 13.)

There were no items to discuss in exempt session so the chairman closed the meeting.

**The meeting commenced at 7.00 pm and concluded at 8.45 pm**

**Chairman**