

# Audit Committee Minutes

Date: 15 June 2017

Time: 7.00 - 7.59 pm

**PRESENT:** Councillor M C Appleyard (in the Chair)

Councillors G C Hall, M Hanif, A Lee, Ms C J Oliver and N J B Teesdale.

**Also present:** Sue Gill (External Auditor, Ernst & Young)  
Preeti Malik (External Auditor, Ernst & Young)  
Councillor D Watson

## 1 APOLOGIES FOR ABSENCE

Apologies were received from Councillor R Wilson.

## 2 DECLARATIONS OF INTEREST

There were no declarations of interest.

## 3 MINUTES

**RESOLVED:** that the minutes of the meeting held in 23 March 2017 be confirmed as a correct record and signed by the Chairman.

## 4 2016/17 SERVICE PERFORMANCE: ANNUAL

The Committee was provided with an update on the 2016 Service Performance and noted that two targets had not been met. The average time taken to process HB / CTR: new claims (days) was 24 days with a target of 18.

In reference to the Housing Portfolio, the measure for number of households prevented from becoming homeless through WDC advice was noted to be off target, due to increasing difficulty assisting households into affordable private rented properties in the district due to market rents rising well above local housing allowance levels.

It was confirmed that the Housing Benefit target was a localised target set by WDC. It was noted that while the target was difficult to compare with other Local Authorities, some research would be undertaken prior to the next meeting.

**RESOLVED:** that the 2016/17 Service Performance: Annual, be noted.

## 5 UPDATE ON THE WHISTLEBLOWING POLICY

The Committee received an update on the Whistleblowing Policy which followed on from the presentation the Committee received at the last meeting in regards to the reference that the WB Policy was part of the Audit Committee's Terms of Reference.

It was noted that the WB Policy was presented to the Personnel & Development (P&D) Committee for their consideration. It was also noted that the WB Policy was a part of the Constitution and any changes would be required to be taken to Council for approval.

The current version of the WB Policy was drawn up in 2013 and therefore required updating.

The Committee agreed that due to the mechanics of the Policy, its place was with this Committee and that it should be routed back to them following discussion at the Senior Management Board (SMB). A revised policy would be presented to the P&D Committee meeting on 23 October 2017 and following a decision that oversight of the WB Policy would transfer to this Committee.

**RESOLVED:** that the Whistleblowing Policy be brought back to Audit Committee.

## **6 DRAFT ANNUAL GOVERNANCE STATEMENT**

The Committee received the report on the Draft Annual Governance Statement (AGS), which had been marked 'to follow', and noted the report was reviewed and endorsed prior to formal sign-off by the Leader and Chief Executive alongside the Annual Accounts.

It was noted that new Guidance had been published and that the developed Local Code looked at principles contained within CIPFA. It was noted there were no major weaknesses and that the Local Code of Governance (The Code) was WDC's code and policies. Areas for improvement had been agreed with each Action Owner and SMB would be updated in September 2017 as to the progress made in implementing the Areas for Improvement.

The Committee noted the page summarising the Areas for Improvement and that the Local Code was the responsibility of the Audit Committee which would then feed into the Annual Governance Statement. It was also noted that the AGS was a shorter document than previously and that the Chief Executive and the Leader were required to sign it.

The Committee also noted the revised Annual Governance Statement 2016/17 and once this had been approved the public had a right to view it.

**RESOLVED:** that the Draft Annual Governance Statement be endorsed.

## **7 EY PROGRESS UPDATE**

The Committee received EY's audit progress report, which summarised the work to date on the 2016/17 audit.

Sue Gill, EY, reported that audit work was proceeding well, but that one issue had been identified which needed to be drawn to the Committee's attention. The issue was that one of the credit notes selected for walkthrough did not match the invoice referenced on it. The actual invoice had been found and the credit note was found to be legitimate. However, this represented a potential weakness in the system.

**RESOLVED:** That the audit progress report be noted.

## **8 EY ANNUAL FEE LETTER 2017/18**

The Committee received the EY Annual Audit and Certification Fees for 2017/18.

It was noted that the fee would be the same as it was for the current year. It was also noted that should there be less work to undertake that a rebate would be due.

**RESOLVED:** That the EY Annual Audit and Certification Fees for 2017/18 be noted.

## **9 ANNUAL REVIEW OF THE ANTI-FRAUD AND CORRUPTION POLICY - REPORT AND PRESENTATION**

The Committee received a presentation on the Annual Review of the Anti-Fraud and Corruption Policy and noted the following points –

- That the Anti-Fraud and Corruption policy was the responsibility of the full Council and was part of the Constitution.
- Some minor changes had been made in order that the policy reflected what was actually in place and working.
- The definitions of fraud and corruption were given.
- The Policy promoted an appropriate corporate fraud culture in that the Council was committed to the highest standards of openness, probity and accountability.
- Some key fraud arrangements were noted, including looking at the possibility of installing passport scanners.
- Once the Policy had been approved by the Audit Committee, that a recommendation be made to Council allowing a revision of the version held in the Constitution after which time the updated version of the Constitution would be uploaded to the Council's intranet site, a copy be circulated via Review Point and a copy be circulated to Management – for reference purposes.

In answer to queries, the following was confirmed –

- That the guidance called for prevention rather than detective work. That educating services into fraud prevention was key.
- That single person's discounts were being investigated although there were a number of common areas where fraud was being committed.

The Committee agreed with the change in decision in that it be recommended that the 2017 Anti-Fraud and Corruption Policy be noted and that the report be submitted to Council for approval.

**RECOMMENDATION:** that the 2017 Anti-Fraud and Corruption Policy be noted and that the Policy report be submitted to Council for approval.

## **10 INFORMATION SHEETS**

The Committee noted the Information Sheet on Health and Safety – Annual Report for 2016-17.

## **11 AUDIT COMMITTEE WORK PROGRAMME**

The Chairman stated that the dates for the rest of the current year were as follows –

21 September 2017  
16 November 2017  
11 January 2018  
1 March 2018

It was agreed that the Annual Governance item would be brought to the 21 September 2017 meeting.

## **12 SUPPLEMENTARY ITEMS**

There were none.

## **13 URGENT ITEMS**

There were none.

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Chairman

### **The following officers were in attendance at the meeting:**

Mike Howard	- Audit, Risk and Fraud Manager
Aisha Bi	- Policy Officer
Liz Hornby	- Senior Democratic Services Officer
Stuart Mcgregor	- Interim Head of Finance & Commercial