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Our ref: GH/AUD  
Date: 1December 2010

**NOTICE OF MEETING**

**AUDIT COMMITTEE**

**DATE: THURSDAY 9 DECEMBER, 2010**

**TIME: 7.30 PM**

**PLACE: COUNCIL CHAMBER, COUNCIL OFFICES, KNOWLE GREEN, STAINES**

**TO: ALL MEMBERS OF THE AUDIT COMMITTEE**

M.T. Royer (Chairman)  
M.L. Bouquet

H.R. Jaffer  
L.E. Nichols  
S.J. Rough

Mrs C. Spencer  
H.A. Thomson

**EMERGENCY PROCEDURE**

In the event of an emergency the building must be evacuated. All councillors and staff should assemble on the Green adjacent to Broome Lodge. Members of the Public present should accompany the staff to this point and remain there until the senior member of staff present has accounted for all persons known to be on the premises.

**THE LIFT MUST NOT BE USED**

This Agenda and any Reports are available in Large Print on request. Contact: Gill Hobbs (01784) 444243

## RESPONSIBILITIES OF THE AUDIT COMMITTEE

### **Purpose**

To provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment, and to oversee the financial reporting process

### **Core Functions**

- (a) To approve (but not direct) the internal audit's strategy, plan and performance.
- (b) To review summary internal audit reports and the main issues arising, and to seek assurance that action has been taken where necessary.
- (c) To consider the reports of external audit and inspection agencies.
- (d) To consider the effectiveness of the authority's risk management arrangements, the control environment and associated anti fraud and anti corruption arrangements. Seek assurances that action is being taken on risk related issues identified by auditors and inspectors.
- (e) To be satisfied that the Authority's assurance statements, including the Annual Governance Statement, properly reflect the risk environment and to take actions required to improve it.
- (f) To ensure that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies, and that the value of the audit process is actively promoted.
- (g) To review the financial statements, external auditors opinion and reports to members, and monitor management action in response to the issues raised by external audit.
- (h) To approve the annual Statement of Accounts.

### **MOBILE TECHNOLOGY – ACCEPTABLE USE**

Use of mobile technology (mobiles, Blackberries, etc) in meetings can:

- Interfere with the PA and Induction Loop systems
- Distract other people
- Interrupt presentations and debates
- Mean that you miss a key part of the decision

#### **PLEASE:**

Either switch off your mobile phone/Blackberry OR turn off its wireless/transmitter connection for the duration of the meeting.

*Thank you for your co-operation.*

## **A G E N D A**

- 1. APOLOGIES**  
To receive any apologies for non-attendance.
- 2. DISCLOSURES OF INTEREST**  
To receive any disclosures of interest from Members in accordance with the Members' Code of Conduct.
- 3. MINUTES**  
To consider the Minutes of the meeting held on 16 September 2010 (copy attached).
- 4. CORPORATE RISK MANAGEMENT**  
To receive a report from the Chief Finance Officer (copy attached).
- 5. INTERNAL AUDIT INTERIM REPORT**  
To receive a report from the Head of Audit Services. (copy attached).
- 6. CONFIDENTIAL REPORTING CODE (WHISTLEBLOWING POLICY)**  
To receive a report from the Assistant Chief Executive (copy attached).
- 7. COMMITTEE WORK PROGRAMME 2010/11**  
The Committee is requested to consider and approve its work programme for the remainder of 2010/11 (copy attached).

## MINUTES OF THE AUDIT COMMITTEE

16 SEPTEMBER 2010

### Present:

Councillor M.T. Royer (Chairman)

Councillors:

L.E. Nichols

S.J. Rough

H.A. Thomson

**Apologies:** Councillors H.R. Jaffer and Mrs C. Spencer, and Councillors L.E. Nichols and S.J. Rough for their late arrival.

### 287/10 ADJOURNMENT OF MEETING

Due to the late arrival of some members of the Committee, the Chairman proposed to delay the start of the meeting by 30 minutes to facilitate their arrival and participation in discussion of the agenda items.

**RESOLVED** to adjourn the start of the meeting by 30 minutes.

### 288/10 MINUTES

The minutes of the meeting held on 24 June 2010 were approved as a correct record.

In relation to Minute 200/10, Resolution 3, regarding inclusion of the Annual Governance Statement (AGS) on the work programme for further discussion, the Head of Audit Partnership explained that all the reports and issues the Committee had discussed throughout the year, fed into the AGS. She offered to make the set of matrices, which are produced by CIPFA/Solace and used to assess the Council's position against set criteria for the Code of Corporate Governance, available to the Committee. The Committee agreed that it would assist their consideration of the AGS to see these matrices.

The Head of Audit Partnership further explained that the annual review of the Code of Corporate Governance would be considered at a future meeting of the Overview and Scrutiny Committee.

The Committee agreed to receive the report on the review of the Code of Corporate Governance together with the updated matrices, before their consideration of the AGS at the June 2011 meeting.

**RESOLVED** that the report on the review of the Code of Corporate Governance and the updated matrices, be included on the work programme for the March 2011 meeting of the Committee.

**289/10 EXTERNAL AUDIT REPORT ON 2009/10 AUDIT AND STATEMENT OF ACCOUNTS**

The Chief Finance Officer reported that external auditors appointed by the Audit Commission, KPMG, were required, in accordance with international auditing standards, to report annually to the Council on:

- Their opinion on the Statement of Accounts
- Any uncorrected items in the Statement of Accounts
- Qualitative aspects of the Council's accounting practices and financial reporting
- The Annual Governance Statement
- Their annual Value for Money conclusion

They also reported annually on their audit of the Council's accounting and internal control systems.

He gave an update on the recommendation at page 22 of Appendix C to the External Auditors' report in relation to access rights of users of financial systems. An annual review of access rights was agreed at the meeting of the Council's Information Security Review Group on 9 September 2010 and an updated response would therefore be issued to this recommendation.

Andy Sayers, on behalf of KPMG presented the report and responded to Members' questions. He thanked officers and members for their assistance throughout the year.

The Chairman commented to KPMG on the level of feedback given on the Use of Resources assessment, for which the Council was charged a considerable amount of money. He particularly made reference to the issues arising identified on page 17 of their report which reflected issues Council officers had identified in the Annual Governance report and which this Committee had considered at its June 2010 meeting. Similarly, he remarked that the issue arising on page 18 reflected an issue the Internal Audit team had already flagged to the Committee. He asked Andy Sayers to comment on whether he felt the Council had obtained value for money on the use of resources work it had paid for.

Andy Sayers responded on behalf of KPMG that they had already completed the majority of the work on Use of Resources (UoR), when the Government abolished Comprehensive Area Assessments, to which this work was related. He added that much of the work that had been done in this area had been used in giving the "value for money conclusion", as the criteria for this were the same as the UoR Key Lines of Enquiry.

In response to a question from a member on suspense and holding accounts, the Chief Finance Officer advised that the management response to the recommendation on this issue, set out in Appendix C, was that the Chief Accountant would review the suspense accounts in the autumn. He agreed that following this review, the Chief Accountant would be asked to provide a list and brief description of all such accounts.

## AUDIT COMMITTEE, 16 SEPTEMBER 2010

In response to a question from a member on the implementation of International Financial Reporting Standards (IFRS), the Chief Finance Officer advised that he would arrange a training session for Audit Committee members prior to the June 2011 Audit Committee meeting. The training would include an explanation of the impact of the changes and provide a comparison of the accounting figures under the current and the new regimes. He also advised that an update report on progress with implementing IFRS would be included in the Committee's work programme for its March 2011 meeting.

The Committee was concerned that the issue raised by KPMG in Appendix C relating to Frontier Access Rights had remained unresolved in spite of being known about for some time. The Committee requested an update on this matter prior to the next Committee meeting but if it should remain unresolved that the Human Resources Manager be asked to attend the next meeting to explain the reason.

The Chief Finance Officer responded to questions from Members on the Statement of Accounts and agreed to circulate the following information to the Committee:

- Reports from the actuaries on the Council's pension liability as and when they became available;
- An explanation for the increase in Council Tax income from 2008/09 to 2009/10 shown in the cashflow statement;
- Correspondence from the actuary justifying his assumption of the rate of increase in salaries and
- A breakdown of the revenue expenditure funded from capital under statute, with the exception of that related to General Fund Housing Services.

### **RESOLVED:-**

1. That the Chief Finance Officer and the Chairman of the Audit Committee be authorised to sign the draft letter of representation as set out in Appendix F of the auditors' report;
2. That officer responses to recommendations made in Appendix C to the External Auditor's Report be noted;
3. That the Chief Accountant be asked to provide a list and description of the suspense and holding accounts, following his review;
4. That a training session on the International Financial Reporting Standards be arranged for the Audit Committee prior to its June 2011 meeting;
5. That the Chief Finance Officer provide an update on progress with implementing the International Financial Reporting Standards, to the March 2011 meeting of the Committee;
6. That an update be provided on the review of Frontier Access Rights, prior to the next meeting of the Committee but if the matter remained unresolved the Human Resources Manager be asked to attend the next meeting to explain the reason and

7. That the Chief Finance Officer be asked to circulate additional information relating to the Statement of Accounts, as agreed.

**290/10 CORPORATE RISK MANAGEMENT**

The Senior Auditor reported that the Corporate Risk Register had undergone its regular quarterly review and update by the Corporate Risk Management Group to ensure that actions were being taken to deal with the identified risks. Progress on actions proposed at the last review had been documented on the Register and some new actions added. One area relating to service plans had yet to be fully addressed. The revised Register was considered to be an accurate reflection of the high level risks affecting the Authority, as well as the progress made on actions previously proposed, based on audit's assessment of risk and the controls in operation.

**RESOLVED** that the contents of the updated Corporate Risk Register, including three new actions for improving overall risk management arrangements, be noted and accepted.

**291/10 ANNUAL REVIEW OF THE SYSTEM OF INTERNAL AUDIT**

The Head of Audit Partnership presented her report which demonstrated how the audit service was adding value and assisting the organisation in achieving its objectives. There were no nationally set indicators relating to this review, so the following measures had been used to provide assurance that there was an effective system of Internal Audit: meeting the aims and objectives of the Audit Plan; compliance with the CIPFA Code of Practice; external audit assessment; adding value; achievements and the Improvement Plan.

The Committee expressed their thanks to the internal audit team for the work they had done, in particular, assisting the external auditor.

**RESOLVED** that the Annual Review of the system of internal audit be noted.

**292/10 COMMITTEE WORK PROGRAMME FOR 2010/2011**

The Committee considered its Work Programme for the 2010/2011 Municipal year. Members noted that any further issues raised at this meeting would be added to this Work Programme.

**RESOLVED** that the Committee Work Programme for the 2010/2011 Municipal year, be approved and adopted.

## **CORPORATE RISK MANAGEMENT**

**Audit Committee: 9 December 2010**

**Report of the Chief Finance Officer**

### **EXECUTIVE SUMMARY**

#### **How does the content of this report improve the quality of life of Borough Residents**

Regular review of the corporate risk register helps to improve overall risk management arrangements, which supports all corporate priorities.

#### **Purpose of Report**

This report provides MAT and the Audit Committee with an opportunity to review the Corporate Risk Register and note outstanding actions.

#### **Key Issues**

- The Corporate Risk Register has been reviewed and updated.
- Progress on outstanding actions has been documented on the register.

#### **Financial Implications**

Staff time to implement actions proposed should be contained within existing budgets.

#### **Corporate Priority**

All corporate priorities.

#### **Officer Recommendations**

The Audit Committee are asked to note and accept the contents of the Corporate Risk Register and recommend it to Cabinet for approval.

**Report Author: Punita Talwar/Deanna Harris, Head of Audit Services, 01784 446207.**

**Contact: Deanna Harris, Head of Audit Services, 01784 446207.**

**Lead Member: Councillor Royer**

**Portfolio Holder: Councillor Vivienne Leighton**



## MAIN REPORT

### 1. BACKGROUND

- 1.1 Risk management is frequently defined as "*The identification, analysis and economic control of all threats to the achievement of the organisation's strategies and operational activities*".

Spelthorne provides a wide range of services to residents, local workers and visitors. The nature of these services presents a significant potential for loss (both financial and otherwise), disruption, damage and injury.

Although some risks will always exist and can never be fully eliminated, the adoption of a structured approach to identify, manage, monitor and review risks offers many potential benefits. It will help the Council achieve its corporate objectives and enhance the value of services it provides.

The Council's Risk Management policy/strategy, flowchart of responsibilities and Corporate Risk Register can be found on Spelnet.

- 1.2 This report provides the Audit Committee with an opportunity to review the revised Corporate Risk Register, assess progress on actions previously recommended, and review new actions proposed for improvement.

### 2. KEY ISSUES

- 2.1 The Corporate Risk Management Group has revised the Corporate Risk Register (Appendix 1).

- 2.2 Progress on actions has been documented on the attached register (see control/action and progress columns). Progress has been made in the following areas:

- The Project Manager (Carol Sheridan) is assisting with the implementation of recommendations aimed at improving **project management** arrangements across the authority.
- **IT Security** (penetration test and independent health check carried out in October as part of the COCO requirements, and issues arising being addressed by Steria).
- The Health and Safety Officer is currently updating the Gold corporate **Business Continuity plan**. An audit will be undertaken later in the year of each service's Business Continuity plan by the Business Continuity forum.
- The **Emergency Plan** is currently being reviewed and a further corporate desk top training exercise will be arranged in the new year.
- The general procedure document required to clarify health and safety responsibilities/ arrangements where the authority **leases assets** has been circulated to the Corporate Risk Management Group for comment.
- Where there is over reliance on individuals, measures have been put in place to provide some **back up** in key service areas, in particular for system administrator roles.
- The Housing Options Manager regularly monitors cases/referrals relating to **vulnerable children** and reports any outstanding issues to Surrey

County Council. Any concerns are brought to the attention of the Head of Housing Options. (See Regulation/Legal/Litigation risk category 15).

- A report was issued to cabinet in November 2010 highlighting the possible impact of **Local Housing Allowance** changes. (See Financial risk category 16).

2.3 The following areas have not been fully addressed:

- (a) **Service Plans** are currently outstanding for a number of areas. The Head of Environmental Health and Building Control issued a reminder to Service Heads, and will be reporting to MAT shortly on the position. (See part 1 of the risk register).
- (b) **Risk documents** have not been prepared for any of the **partnerships** with Runnymede borough council such as Asset Management, Human Resources or IT. The legal agreement for the Asset Management partnership and service level agreement for the Human Resources partnership address some risk issues. When Service Heads and Managers identify and assess risks for these partnerships, examples to consider include poor contract agreements resulting in disputes and escalated costs, lack of clarity over roles and responsibilities, partner failing to deliver desired outcomes, poor performance management, failure to collect monies due, failure to obtain buy-in from staff/Senior management/Members, failure to develop and maintain partnerships. (See part 10 of the risk register).

### 3. OPTIONS ANALYSIS

Either:

1. To note and accept the contents of the Corporate Risk Register. The revised register is considered to be an accurate reflection of the high level risks affecting the authority, as well as the progress made on actions previously proposed, based on our assessment of risk and controls in operation.

Or:

2. To recommend amendments to the Corporate Risk Register for consideration by the Corporate Risk Management Group.

### 4. PROPOSALS

- 4.1 To agree option one above.

### 5. BENEFITS AND SUSTAINABILITY

- 5.1 Proposals set out in the Corporate Risk Register should improve overall risk management arrangements across the authority, which supports all corporate priorities.

### 6. FINANCIAL IMPLICATIONS

- 6.1 Resources required (staff time) to implement actions proposed in the Corporate Risk Register should be contained within existing budgets.

### 7. LEGAL IMPLICATIONS / OTHER CONSIDERATIONS

7.1 Potential legal consequences should the risks identified not be addressed adequately. The purpose of the risk register is in part to avoid such consequences.

**8. RISKS AND HOW THEY WILL BE MITIGATED**

8.1 The risks and associated actions are set out in the Risk Register.

**9. TIMETABLE FOR IMPLEMENTATION**

9.1 The Corporate Risk Register shows officers responsible for progressing actions, together with timescales for implementation.

**Report Author: Punita Talwar/Deanna Harris, Head of Audit Services, 01784 446207.**

**Background Papers: There Are None.**

APPENDIX 1

SPELTHORNE BOROUGH COUNCIL  
CORPORATE RISK REGISTER – 2010/11 QUARTER 3

The register summarises the high level risks faced by the Council in relation to achieving the objectives and priorities as defined in the Council's corporate plan. The register sets out the control procedures in place to mitigate these risks, and identifies any further action needed to manage these risks effectively. Actions are assigned to appropriate officers with target dates for implementation.

Corporate Priority themes are referred to in the risk register.

Level of risk: Likelihood vs. Impact on a scale of 1 (lowest) to 4 (highest)

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date	Progress
1. Technology/ Infrastructure /Operations	Failure to align service objectives to corporate aims	All	3	<p><b>Controls:</b> Service plans are derived from Community and Corporate Plans.</p> <p><b>Action: All Service Plans require updating annually and need to reflect corporate priorities.</b></p>	Service Heads	Dec 2010	<b>Some. Nov 2010: Some service plans are outstanding. A report will be issued to MAT shortly.</b>
2. Technology/ Infrastructure /Operations	Failure of projects due to poor project management arrangements.	All	3	<p><b>Controls:</b> Project management principles and methodology agreed some years ago, although not consistently applied and scope for senior management to re launch on a corporate level.</p> <p><b>Actions: Review corporate reporting and management of projects; allocation of responsibilities and resources; corporate guidance; business case preparation and post implementation reviews.</b></p>	MAT	Ongoing	Ongoing
					MAT/DV/CS	Feb 2011	<b>Ongoing. Nov 2010: The Project Manager is assisting in implementing recommendations.</b>

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Ownership	Target Date	Progress
3. Technology/ Infrastructure /Operations	3i. Security breaches, system failure, loss of data	All	3	<p><b>Controls:</b>            Back up and continuity arrangements managed by Steria and tested by Service Heads.            IT security policies. Personal Commitment statement required from all staff.            Contractual responsibilities of Steria.            IT security group assess ongoing risks.            IT disaster recovery test successfully carried out in June 2010.</p>	TC/HD	Ongoing	Ongoing
	3ii. Failure to meet the minimum security requirements of the Government Code of Connection resulting in termination of connection to any other government sites/data.	All	3	<p><b>Controls:</b>            COCO review group assess compliance with the Code of Connection</p> <p>Successfully passed security requirements of the Government Code of Connection. Application to meet standard 4.1 of COCO has been submitted.</p> <p>New firewall been installed.</p> <p>Independent health check completed in July 2009 –actions addressed. Further health check completed in October 2010. Additional security measures have been implemented, including encryption of laptops, CD'S and memory sticks, (memory sticks will be banned until they are 'white-listed' as known devices on the network), locking down USB ports and improved authentication for remote working. Dual factor authentication has been tested and a pilot is being rolled out.</p> <p><b>Action: Penetration testing to be conducted annually, in accordance with COCO requirements.</b></p>	TC/HD	Oct 2010	Actioned <b>Nov 2010: Penetration testing and independent health check carried out in October 2010. Recommendations being addressed by Steria, and high risk issues actioned.</b>

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Ownership	Target Date	Progress
4. Financial	Poor return on long term investments /investments insecure in current climate.	All	3	<p><b>Controls:</b>  Treasury Management strategy approved by Members. Aim to select counter parties of the highest credit quality; credit ratings monitored closely.  Council's investments managed internally in consultation with Sector Treasury.  Use Fitch ratings and criteria recommended by Sector Treasury.  Regular monitoring and reporting of investment portfolio and returns achieved.</p>	TC		
5. Technology/ Infrastructure /Operations	Disaster in Council buildings / Lack of continuity planning within services and reliance on individuals/ systems	All	3	<p><b>Controls:</b>  The Health and Safety Officer chairs the gold corporate Business Continuity group under the guidance of the ACX (Brian Harris).  The Health and Safety Officer is responsible for the coordination of business continuity plans.</p>	Service Heads/ MAT /SM		<p><b>Actioned/ Ongoing.</b></p> <p><b>Nov 2010: The Health and Safety Officer is updating the Gold corp Business Continuity plan.</b></p> <p><b>Business Continuity Forum will audit service Continuity Plans during 2010/11.</b></p>
				<p>A corporate training/desk top test was held in 2009 which focused on assessing the consequences of Pandemic flu on SBC services. The current focus is on consolidating this into the Business Continuity Plans.  An action Plan is in place for the business continuity forum which is monitored.</p>	Service Heads/ MAT/ SM		
				<p><b>Action: The authority must ensure the plans are fully communicated, tested and updated regularly.</b></p>	Service Heads/ MAT/ SM	Annual /ongoing	

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date	Progress
6. Environment	Disaster- major in borough, e.g. pandemic influenza, resulting in inability to provide services	Environment	4	<p><b>Controls:</b> Emergency plan been updated Aug 09, acknowledging need for Deputy Officers to provide cover as appropriate. Annual review and testing of plan scheduled. Desk top testing exercise successfully completed in Dec 08 with lessons learnt fed into revised Emergency plan. Risk assessments completed and major incident flood plan been submitted to Surrey Local Resilience forum. Advice and training provided by Surrey Local Resilience forum and the PCT.</p>	LB/SM	Annual/Ongoing	<p><b>Actioned/Ongoing. Nov 2010:</b> <i>Emergency Planning Officer is reviewing the Emergency Plan and arranging a further corporate training exercise for the early part of 2011.</i></p>
7. Environment	Uncertainty surrounding the financial /other consequences of contaminated land	Environment	4	<p><b>Controls:</b> Legal duty to inspect land and prioritise action Progress reports issued to MAT outlining financial and other risks</p> <p><b>Action: A separate risk assessment is required to address contractual, financial/resources and legal/regulatory risks. Controls to reduce risks associated with potential lack of resources to undertake further detailed site investigations should be identified.</b></p>	LB/LO	Annual/ongoing	<p><b>Actioned/Ongoing. August 2010:</b> <i>Risk assessment presented to Audit Cttee Dec2009. To be reviewed every two years (next due Sep 2011), or earlier if issues arise which would indicate the need for more prompt review.</i></p>

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date	Progress
<b>8. Regulation/ Legal / Litigation</b>	Health and Safety failing resulting in death or serious injuries to staff/public and legal action against the Council	All	4	<p><b>Controls:</b>  Managers responsible for conducting regular risk assessments  Induction training for staff and policies clarify responsibilities  Health and Safety Officer in post and reports relevant issues/legislation to Executive, MAT, CRMG, all staff, e.g. Corporate Manslaughter act and associated risks.  Contract let to manage Legionella and progress reported to AMG and MAT as appropriate.</p> <p><b>Action: Procedure document required to clarify health and safety responsibilities/ arrangements where the authority leases out assets.</b></p>	DP	Aug 2010	<b>Actioned/ Ongoing. Nov 2010: Information held on the Council's SHE system for ongoing mgt by Health &amp; Safety Officer and Asset Mgt. The general procedure document has been circulated to members of the CRMG for comment.</b>
<b>9. Regulation/ Legal / Litigation</b>	Failure to comply with employment legislation or statutory duty leading to possible compensation (unlimited), damage to reputation, Legal costs and significant officer time.	All	3	<p><b>Controls:</b>  Human Resources identify new employment legislation  HR provide staff guidance on new/existing legislation and arrange training to ensure compliance  Clear documented processes exist for Recruitment and Selection, and Managers Briefings provide opportunity to promote corporate procedures.  Equality and Diversity working group set up</p>	Service Heads/ JH/ MAT		



Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Ownership	Target Date	Progress
10. Partner/ Contractor/ Commercial	Failure to obtain vfm / lack of transparency in awarding contracts	All	3	<b>Controls:</b> Performance measures in place and contractual safeguards - Management responsibility. Review of strategic and internal partnerships Contract guidelines (simplified version of CSO'S in place with compliance checklist). Partnership governance policy in place, and reminders issued to Service Heads on need to comply. Significant partnerships identified. Performance management and review committee to periodically review partnerships. E-tendering system Procurement and contract management training Procurement Officer in post (shared resource)			
	Contractual disputes and potential claims through poor documentation.  Weak contract management resulting in Contractors/partners failing to deliver expected outcomes  Weak partnership governance arrangements			<b>Action May 2010: Risks relating to individual partnerships to be identified and reviewed, e.g. Asset Management partnership with Runnymede Borough Council.</b>			
	Suppliers/ contractors go out of business, affecting the completion of contract works/service delivery, and ability to pay	All	3	<b>Controls:</b> Financial Services monitor the financial media in relation to larger companies and critical commercial partners that the authority engages with.	Service heads/MAT/T C	Ongoing.	Ongoing.

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date	Progress
	business rates.						
<b>11. Economic/Social</b>	Service planning difficulties due to changes in economic and social conditions beyond Council's control	Environment /Economic Development	3	<b>Controls:</b> Long term strategic planning Corporate and community plans linked to service plans New corporate priority themes	SM/BC	Ongoing	
<b>12. Environment</b>	Failure to deliver sustainable community strategy / deliver climate change strategy: -Contravening legislation (climate change act 2008) -Poor resilience to climate change by services and community -Services not adequately prepared for climate change, effecting service delivery.	Environment	3	<b>Controls:</b> Sustainability and Climate change strategy. Action plans prepared assigning tasks and targets to named officers, with timescales for delivery. Surrey wide climate change projects being developed, to be assigned as and when appropriate. Environmental impact assessments completed. Delivery board set up to monitor implementation of sustainability strategy and delivery of National Indicator 188 (Climate Change). Meetings held every six weeks and minutes available.	LB/SM	Ongoing	Ongoing

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Ownership	Target Date	Progress
13. Financial	Fraud / theft (income, assets, payments), resulting in financial losses and damage to reputation of authority.	All	3	<p><b>Controls:</b> Corporate Policies in place to help create a culture of honesty and ethical behaviour such as Whistle blowing, anti-fraud and corruption, employee code of conduct, gifts and hospitality, Register of Interest .</p> <p>Service risk assessments outlining control procedures and arrangements in place to prevent the risk of fraud or help detect it.</p> <p>Key controls include compliance with policies and procedures such as Fin Regs and CSO'S, management checks, segregation of duties, reconciliation processes for financial systems, good IT Security measures.</p>	Service Heads/ MAT	Ongoing	
	In current economic climate, increased risk that individuals will be tempted to perpetrate fraud.						
14. Technology/Infrastructure/Operations	Failure in service delivery due to over reliance on individuals eg Housing Options, Revenue and Benefit system administrator roles.	All	3	<p><b>Controls:</b> In some services back up can be provided by other trained staff, documented procedures or support could be bought in.</p> <p><b>Action Aug 2010: MAT should ensure the Business Transformation Programme incorporates arrangements for centralisation of all system admin roles or have some alternative arrangements in place to provide back up in key service areas. This may involve additional funding.</b></p>	MAT	Aug 2010	<p><b>Some. Nov 2010: Measures have been introduced to provide back up in key service areas, e.g. the Revenue and Benefits System Administrator role could be performed by Steria if necessary. The Treasury Accountant is</b></p>

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date	Progress
							<i>providing support to the Housing Options Manager on the Northgate Housing system.</i>
<b>15. Regulation/ Legal/ Litigation</b>	Failure by County to address Spelthorne referrals relating to vulnerable children.	All	3	<p><b>Controls:</b> The Council has policy/procedures in place and all relevant staff have been trained. A meeting has been held between the ACX (LB) and Surrey County Council to discuss this issue, and the Leader has also met with the CX of Surrey County Council.</p> <p><b>Action Aug 2010: To check regular cases and report any outstanding issues to Surrey County Council .</b></p>	KS/DA	Ongoing	<b>Actioned. Nov 2010: The Housing Options Manager regularly monitors cases/referrals and reports any outstanding issues to SCC. Any concerns are brought to the attention of the Service Head. Regular meetings with SCC and joint training provided.</b>

<b>Risk Category</b>	<b>Risk / Consequences</b>	<b>Corp Priority</b>	<b>Level Of Risk</b>	<b>Control / Action</b>	<b>Ownership</b>	<b>Target Date</b>	<b>Progress</b>
<b>16. Financial</b>	Pressures on Housing Service as a result of changes in government policy to restrict housing benefit and general economic climate.	All	3	<p><b>Controls:</b> Service Heads/ MAT/Members aware of possible risks. Internal structures being reviewed.</p> <p><b>Action Aug 2010: Service Heads/MAT to monitor, evaluate performance and recommend changes in staffing requirements as appropriate. Team Leader to issue report to Cabinet in September 2010 highlighting the possible impact of Local Housing Allowance changes.</b></p>	KS/DA/MAT	Oct 2010	<b>Some. Nov 2010: A report was issued to Cabinet in November 2010 highlighting the possible impact of Local Housing Allowance changes.</b>
<b>17. Financial</b>	Reduction in service delivery and possible loss of internal control as a result of savings required to balance budget	All	3	<p><b>Controls: ACX/MAT/Members aware of savings although these may change. Progress is being made to identify savings.</b></p> <p><b>A programme involving prioritisation of discretionary services and service review is currently under consideration.</b></p> <p><b>Management is responsible for maintaining internal controls. Any savings offered will be accompanied with summary of any foreseen associated risk.</b></p>	MAT/Service Heads	Ongoing	Ongoing.

**Reviewed November 2010**

## **INTERNAL AUDIT INTERIM REPORT**

**Audit Committee: 9 December 2010**

**Resolution Required**

**Report of the Head of Audit Services**

### **EXECUTIVE SUMMARY**

#### **How does the content of this report improve the quality of life of Borough Residents**

The Accounts and Audit Regulations require the Council to maintain an adequate and effective internal audit of their accounting records and control systems. This report provides the Council with assurance of the adequacy of those controls as a contribution to the proper, economic, efficient and effective use of resources.

#### **Purpose of Report**

The report summarises work undertaken by Audit Services during the period April 2010 – November.

#### **Financial Implications**

There are none.

**Corporate Priority:** The maintenance of a strong internal control environment supports all corporate priorities.

#### **Officer Recommendations**

**The Audit Committee is asked to note and approve the Audit Services' Report for the period April 2010 – November 2010.**

**Contact: Deanna Harris, Head of Audit Services, 01784 446207**

**Cabinet member: Councillor Mrs. Vivienne Leighton**

## MAIN REPORT

### 1. BACKGROUND

- 1.1 The Accounts and Audit Regulations require the Council to maintain an adequate and effective internal audit of their accounting records and control systems. This report provides the Council with assurance on the adequacy of those controls.
- 1.2 Internal Audit is playing a vital role in supporting management and members at a time when:
- (a) Internal controls could be compromised by reduction in resources together with increasing demands on services
  - (b) Value for money is a priority
  - (c) There is an increasing need for Local authorities to be transparent, particularly relating to procurement decisions.

### 2. KEY ISSUES

- 2.1 Audits finalised during the period April - November 2010 are listed below.

<b>Audit</b>	<b>Level of Audit Assurance * (Full/Substantial/ limited/ None)</b>	<b>Number of recommendations (Medium/high risk)</b>
Main Accounting	Substantial	6
Treasury Management	Substantial	5
Cash Collection and Banking	Substantial	9
Debtors	Substantial	11
Creditors	Substantial	1
Housing Benefits	Substantial	12
Payroll	Substantial	4
Council Tax & NNDR	Substantial	2
Asset Register/Capital Accounting	Substantial	4
Programme and Project management	Limited	10
Streetscene	Substantial assurance in respect of key controls.	24
Housing Options	Substantial assurance in respect of the administration of service but some potentially high risks identified with service head which have	24

	been carried forward to Corporate Risk Register	
Remote Working	N/A	8
Elections	Substantial	0 (1 low risk rec)
Planning	Substantial	0 (1 low risk rec)
Land charges	Substantial	0 (Issues identified by Audit but actions already in hand)

2.2 \*The four levels of assurance that can be given to a system are defined below:

<b>Full Assurance</b>
There is a sound system of control designed to meet the system objectives.
<b>Substantial Assurance</b>
While there is basically a sound system of control, there are areas of weakness which put some of the systems objectives at risk. However, either their impact would be less than critical or they would be unlikely to occur.
<b>Limited Assurance</b>
Weaknesses in the system of controls which could have significant impact on the achievement of objectives.
<b>No Assurance</b>
Control is generally weak, leaving the system open to significant error or abuse.

### 2.3 Audit Recommendations

The Deputy and Assistant Chief Executives are responsible for monitoring outstanding audit recommendations. Members of the Audit Committee have also been provided with access to the database of outstanding audit recommendations.

### 2.4 Other Audit Work

#### 2.4.1 Audit Work in Progress (November 2010)

Leisure, Environmental Health (including licensing), Corporate Governance, Remote Working and Waste (follow up).

2.4.2 **Corporate Risk Management** – see separate risk report. Audit provide advice to the Corporate Risk Management Group and co-ordinate the Council's corporate risk register. A presentation was made at the Managers Briefing on the Corporate Risk Management process, to promote awareness.

2.4.3 **Audit Committee** –Preparation of reports, MAT/committee attendance, various meetings, committee follow up action and correspondence.

2.4.4 **Audit Partnership** – Spelthorne's partnership with Elmbridge Borough Council continues and both authorities are now working with Woking Borough Council.



2.4.5 Spelthorne will be undertaking an IT audit project at Woking BC in January 2011 and income will be received for this work.

2.4.6 A private firm has been contracted to undertake a small number of audit reviews at Spelthorne. The advantage of this approach is that audit resources will be available during the peak period, in-house staff will have access to high quality training and networking opportunities at no cost, and the partnership approach will enable a two way sharing of information. Costs will be contained within existing budgets.

2.4.7 **Corporate Working Groups** – Audit is a member of the following groups providing corporate advice and assurance:

Corporate Debt Working Group

Information Security Review Group

Information Management Group

Corporate Risk Management Group

Performance Management Board

2.4.8 **Service Planning/Performance Management** – Advice has been provided on improved strategic and service planning, together with associated performance management arrangements.

**Advice** - Advice has been requested from all directorates on various risk and control issues including staffing/disciplinary matter, Single Person Discount Fraud Policy, Corporate Debt Policy, write off policy, contract for stray dogs, thefts from offices, housing benefit payments, petty cash, green waste billing, documentation retention, parking service, Spelride partnership with Elmbridge and liaison with software supplier regarding invoicing.

2.4.9 **Special Investigations / Fraud and Corruption** – None to report.

2.4.10 The Audit Commission's report, 'Protecting the Public Purse: Fighting Fraud Against Local Government and Local Taxpayers' has recently been published. It reports on £135 million of fraud detected in 2009/10 in local government. The report specifically refers to frauds relating to housing tenancies, council tax discounts, housing and council tax benefits and procurement. As councils make significant cuts in budgets, it is essential they continue to maintain strong defences against fraud through zero tolerance policies, adequate deterrence and working with others to detect fraud.

2.4.11 The Council has an Anti Fraud and Corruption Strategy and various controls in place to reduce the risk of fraud. Auditors consider the risk of fraud during the course of each risk based audit undertaken which involves identifying the potential risk, reviewing and testing the extent to which the risk is being controlled.

2.4.12 **Miscellaneous** – Meetings (one-to-ones, staff performance clinics, appraisals, team, departmental, SMN, attendance at MAT, manager's briefings), team management, training, liaison with external audit, budget monitoring, processing contract payment certificates, reviewing final contract payments, Service

Planning, work planning, reviewing Auditor competencies, health and safety issues, completion of timesheets, updating audit recommendation database, updating Risk Management page on Spelnet, Emergency Planning/Business Continuity, staff recruitment, preparation of Audit programmes for financial audits, Surrey Benchmarking and various other tasks. Attended various courses and seminars.

**3. OPTIONS ANALYSIS**

3.1 There are none.

**4. PROPOSALS**

4.1 There are none

**5. BENEFITS AND SUSTAINABILITY**

5.1 N/A.

**6. FINANCIAL IMPLICATIONS**

6.1 N/A

**7. LEGAL IMPLICATIONS / OTHER CONSIDERATIONS**

7.1 Annual Audit Report demonstrates compliance with Local Government Act 1972 and Accounts and Audit Regulations.

**8. RISKS AND HOW THEY WILL BE MITIGATED**

8.1 Risks associated with individual audits are reported to management and escalated to the Corporate Risk Register/Audit Committee if significant. Implementation of audit recommendations will reduce risks for the authority. All audit work is supported by detailed risk assessment.

**9. TIMETABLE FOR IMPLEMENTATION**

9.1 N/A

**Report Author: Deanna Harris, Head of Audit Services 01784 446207**

**Background Papers: There are none**

**CONFIDENTIAL REPORTING CODE  
(WHISTLEBLOWING POLICY)**

**Audit Committee: 9 December 2010**

**Resolution Required**

**Report of the Assistant Chief Executive**

**EXECUTIVE SUMMARY**

**How does the content of this report improve the quality of life of Borough Residents**

Provides assurance that the Council has in place a policy for ensuring serious concerns are reported and investigated, and that the risk of loss as a result of improper use of resources or claims against the authority is reduced.

**Purpose of Report**

To review the Confidential Reporting Code (Whistleblowing Policy) and to make recommendations for amendment if necessary.

**Key Issues**

The Code forms part of the Council Constitution and sets out how to raise serious concerns about any aspect of the Council's work. It also clarifies the legal protection under the Public Interest Disclosure Act against reprisals. The Code is attached as **Appendix 1**.

The Audit Committee is required to consider whether the Confidential Reporting Code (Whistleblowing Policy) requires any amendment.

**Financial Implications**

No financial implications

**Corporate Priority**

Supports all priorities

**Officer Recommendations**

**The Audit Committee is asked to note the Confidential Reporting Code (Whistleblowing Policy) and to recommend any amendments as necessary.**

**Contact: Deanna Harris, Head of Audit Services 01784 446207**

**Portfolio Holder: Councillor Leighton**

## MAIN REPORT

### 1. BACKGROUND

- 1.1 The Confidential Reporting Code (Whistleblowing Policy) forms part of the Council Constitution and sets out how to raise serious concerns about any aspect of the Council's work, and the legal protection against reprisals under the Public Interest Disclosure Act.
- 1.2 The Code details:
- (a) The nature of concerns which may be reported.
  - (b) Other policies such as the Grievance Procedure which exist to deal with employment issues such as bullying or sexual harassment.
  - (c) Safeguards against harassment or victimisation as a result of raising a concern.
  - (d) Processes for raising and dealing with concerns including the various officers and organisations who could be contacted.
- 1.3 The Code is available on the Intranet, a leaflet (**Appendix 2**) has been placed on every notice board and regular reminders are issued to remind staff of its existence.

### 2. KEY ISSUES

- 2.1 The Confidential Reporting Code provides the necessary policy and guidance for reporting concerns, and is important element of the Council's corporate governance arrangements.

### 3. OPTIONS ANALYSIS

#### The Audit Committee may:

- (a) Note contents of the Code, or
- (b) Recommend amendment to the Code

### 4. PROPOSALS

- 4.1 There are no proposals.

### 5. BENEFITS AND SUSTAINABILITY

- 5.1 The Confidential Reporting Code should ensure that serious concerns are reported, investigated and dealt with. There are no ongoing costs or sustainability issues.

### 6. FINANCIAL IMPLICATIONS

- 6.1 None.

### 7 LEGAL IMPLICATIONS / OTHER CONSIDERATIONS

- 7.1 The Council's Monitoring Officer has overall responsibility for operation and maintenance of the code.
- 7.2 The Public Interest Disclosure Act (PIDA) requires the authority to provide protection to anyone reporting concerns from victimisation, dismissal etc.

## **8 RISKS AND HOW THEY WILL BE MITIGATED**

- 8.1 The risks associated with failing to report, investigate and deal with serious concerns in a manner which protects the whistleblower include: claims against the Council, poor morale, waste of resources, service failure and damage to reputation.

## **9 TIMETABLE FOR IMPLEMENTATION**

Subject to any amendments recommended.

**Report Author: Deanna Harris, Head of Audit Services 01784 446207**

**Background Papers:**  
There are none.

## **BOROUGH OF SPELTHORNE**

### **CONFIDENTIAL REPORTING CODE (Whistleblowing)**

#### **1. INTRODUCTION**

- 1.2 The Council is committed to the highest possible standards of openness, probity and accountability. In line with that commitment it expects staff and others that it deals with who have serious concerns about any aspect of the Council's work to come forward and voice those concerns.
- 1.3 Staff are often the first to realise that there may be something seriously wrong within the Council. However, they may not raise their concerns because they feel that speaking up would be disloyal to their colleagues or to the Council. They may also fear harassment or victimisation. In these circumstances it may be easier to ignore the concern instead of reporting what may just be a suspicion of malpractice.
- 1.4 The adoption of this confidential reporting Code by the Council is intended to encourage and enable all staff to raise any serious concerns they have within the Council, rather than overlooking a problem or 'blowing the whistle' outside. The Code makes it clear that you can raise concerns on a confidential basis, without fear of victimisation, subsequent discrimination or disadvantage. It is based on the Public Interest Disclosure Act 1998, which gives staff raising concerns under its rules legal protection against reprisals.
- 1.5 The Code applies to all staff and contractors working for the Council on Council premises, including agency staff. It also covers suppliers and those providing services under a contract with the Council.
- 1.6 The procedures in this Code are in addition to the Council's existing Complaints Procedure.
- 1.7 This Code has been discussed with UNISON and the Transport and General Workers Union and has their support.

#### **2. AIMS AND SCOPE OF THIS CODE**

- 2.1 This Code aims to:
  - encourage you to feel confident about raising serious concerns
  - encourage you to question practice and act upon any concern
  - provide clear channels for you to raise those concerns
  - ensure that you receive a response to concerns you raise and that you are clear about how to pursue them if you are not satisfied
  - reassure you that you will be protected from possible reprisals or victimisation if you raise a concern in good faith reasonably believing something is wrong.

- 2.2 The Council has a Grievance Procedure to enable you to lodge a grievance relating to your own employment and a Sexual Harassment Policy to enable you to raise any concerns about sexual harassment. This Confidential Reporting Code is intended to cover major concerns you might have that fall outside the scope of other procedures. Such concerns might include:
- conduct which is an offence or a breach of law
  - disclosures related to miscarriages of justice
  - health and safety risks, including risks to the public as well as other staff
  - damage to the environment
  - the unauthorised use of public funds
  - possible fraud and corruption
  - sexual or physical abuse of clients, or
  - other unethical conduct.
- 2.3 Any serious concerns that you have about any aspect of service provision or the conduct of officers or members of the Council or others acting on behalf of the Council can be reported under the Confidential Reporting Code. This could be about something that:
- makes you feel uncomfortable in terms of your past experience or what you know about standards set by the Council; or
  - is against the Council's Standing Orders and policies; or
  - falls below established standards of practice; or
  - amounts to improper conduct.
- 2.4 This Code does not replace the corporate complaints procedure.

### **3. SAFEGUARDS**

#### **Harassment or Victimisation**

- 3.1 The Council is committed to good practice and high standards and wants to be supportive of staff.
- 3.2 The Council recognises that making the decision to report a concern can be difficult. If what you are saying is true, you should have nothing to fear because you will be doing your duty to the Council and those for whom you are providing a service.
- 3.3 The Council will not tolerate any harassment or victimisation (including informal pressures) of someone raising something of concern to them and will take appropriate action to protect you against this when you raise a concern in good faith.
- 3.4 Any investigation into allegations of potential malpractice will not influence or be influenced by any disciplinary or redundancy procedures that already affect you.

#### **4. CONFIDENTIALITY**

4.1 All concerns raised will be treated in confidence and every effort will be made not to reveal your identity if you so wish. At the appropriate time, however, you may need to come forward as a witness.

#### **5. ANONYMOUS ALLEGATIONS**

5.1 This Code encourages you to put your name to your allegation whenever possible.

5.2 Concerns expressed anonymously are much less powerful but will be considered at the discretion of the Council.

5.3 In deciding whether to consider anonymous concerns the following are some of the factors which will be taken into account :

- the seriousness of the issues raised
- the credibility of the concern; and
- the likelihood of confirming the allegation from attributable sources

#### **6 UNTRUE ALLEGATIONS**

6.1 If you make an allegation in good faith, but it is not confirmed by the investigation, no action will be taken against you. If, however, you make an allegation frivolously, maliciously or for personal gain, disciplinary action may be taken against you in accordance with the Council's disciplinary procedures.

#### **7 HOW TO RAISE A CONCERN**

7.1 As a first step, you should normally raise concerns with your immediate manager or their manager. This depends, however, on the seriousness and sensitivity of the issues involved and who is suspected of the malpractice. For example, if you believe that your management is involved, you should approach the Chief Executive, Chief Finance Officer, Monitoring Officer, or Audit Services.

7.2 Concerns may be raised verbally or in writing. If you wish to make a written report it is best to use the following format:

- the background and history of your concern (giving relevant dates);
- the reason why you are particularly concerned about the situation.

7.3 The earlier you express your concern the easier it is to take action.

7.4 Although you are not expected to prove beyond doubt the truth of an allegation you make, you will need to demonstrate to the person you contact that there are reasonable grounds for your concern.

7.5 You can obtain advice/guidance on how to pursue matters of concern from:

Chief Executive	Roberto Tambini	(01784 446250)
Chief Finance Officer	Terry Collier	(01784 446296)
Monitoring Officer	Michael Graham	(01784 446227)



7.6 In addition you could contact any of the following:-

The Chairman or Vice Chairman of the Council's Standards Committee - The Council has a Standards Committee, the purpose of which is to help the Council operate to the highest ethical standards. Both the chairman and vice chairmen are non councillors and can be approached for advice. Their details can be obtained from Committee Services on 01784 446240/446276 or found on the Council's web site; or

Public Concern at Work - This is a registered charity which seeks to ensure that concerns about serious malpractice are properly raised and addressed in the workplace and they can be contacted on 020 7404 6609; or

Your trade union or professional body.

7.7 You may wish to consider discussing your concern with a colleague first and you may find it easier to raise the matter if there are two (or more) of you who have had the same experience or concerns.

7.8 You may invite your trade union, professional association representative or a friend to be present during any meetings or interviews in connection with the concerns you have raised.

**8. HOW THE COUNCIL WILL RESPOND**

8.1 The Council will always respond to your concerns. Do not forget that testing out your concerns is not the same as either accepting or rejecting them.

8.2 If you raise a concern with your manager which they feel is beyond the scope of their authority or of a serious nature they will refer it to the Monitoring Officer rather than dealing with it personally.

8.3 Where appropriate, the matters you raise may:

- be investigated by managers, audit services, or through the disciplinary process
- be referred to the police
- be referred to the external auditor
- form the subject of an independent inquiry.

8.4 In order to protect individuals and those accused of misdeeds or possible malpractice, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. The overriding principle for the Council is the public interest. Concerns or allegations which fall within the scope of specific procedures (for example grievance or sexual harassment) will normally be referred for consideration under those procedures.

8.5 Some concerns may be resolved by agreed action without the need for investigation. If urgent action is required this will be taken before any investigation is conducted.

8.6 Within ten working days of a concern being raised, the manager with whom you raise your concern or the Monitoring Officer will write to you:

- acknowledging that your concern has been received
  - indicating how the Council propose to deal with the matter
  - giving an estimate of how long it will take to provide a final response
  - telling you whether any initial enquiries have been made
  - supplying you with information on staff support mechanisms, and
  - telling you whether further investigations will take place and if not, why not.
- 8.7 The amount of contact between the officers considering the issues and you will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, the Council will seek further information from you.
- 8.8 Where any meeting is arranged, which can be away from the offices or your place of work if you so wish, you can be accompanied by a union or professional association representative or a friend.
- 8.9 The Council will take steps to minimise any difficulties which you may experience as a result of raising a concern. For instance, if you are required to give evidence in criminal or disciplinary proceedings the Council will arrange for you to receive advice about the procedure.
- 8.10 The Council accepts that you need to be assured that the matter has been properly addressed and so, subject to legal constraints, will inform you of the outcome of any investigation.

## **9. THE RESPONSIBLE OFFICER**

- 9.1 The Council's Monitoring Officer has overall responsibility for the maintenance and operation of this Code. That officer will maintain a record of concerns raised and the outcomes (but in a form which does not endanger your confidentiality) and will report as necessary to the Council.

## **10. HOW THE MATTER CAN BE TAKEN FURTHER**

- 10.1 This Code is intended to provide you with clear channels within the Council to raise concerns and the Council hopes you will be satisfied with any action taken. If you are not, and if you feel it is right to take the matter outside the Council, the following are possible contact points:
- Public Concern at Work
  - the Council's external auditor
  - your trade union
  - your local Citizens Advice Bureau
  - relevant professional bodies or regulatory organisations
  - the police.
- 10.2 If you do take the matter outside the Council, you should ensure that you do not disclose confidential information. Check with the contact point about that.



# Worried that something may be going seriously wrong in **your**

## Workplace?

### Not sure who you can talk to?

Under our Confidential Reporting Code (whistleblowing policy), if you do not feel able to raise it with your line manager, you can talk in confidence to a number of officers. Please refer to the Confidential Reporting Code on our website:

[www.spelthorne.gov.uk/constitution/confidentialreporting.pdf](http://www.spelthorne.gov.uk/constitution/confidentialreporting.pdf)

You can also obtain advice/guidance on how to pursue matter of concern from:

Chief Executive **Roberto Tambini** on 01784 446250

Chief Finance Officer **Terry Collier** on 01784 446296

Monitoring Officer **Michael Graham** on 01784 446227

Head of Audit Partnership **Deanna Harris** 01784 446207

You can also call the charity - Public Concern at Work for independent and confidential advice.  
Tel: 0207 404 6609

**WORK PROGRAMME 2010 – 2011**

**AUDIT COMMITTEE - 9 DECEMBER 2010**

**Resolution Required**

**1. Work Programme**

- 1.1 This report covers the Work Programme for the remainder of the 2010/11 municipal year.
- 1.2 The Committee's terms of reference are set out at the front of the agenda.

**2. Current Work Programme**

- 2.1 The remaining meeting of this Committee has been scheduled in the Council's Diary for 2010 -11 on the following date:-
  - 24 March 2011
- 2.2 Any topics identified during consideration of the business at this meeting, will need to be included in the Work Programme.
- 2.3 Other issues Members wish to raise for consideration at the next or any future meeting and agreed by the Committee may be included in the Work Programme.
- 2.4 External audit may have one or two reports that arise from time to time which are not possible to predict in advance but will be incorporated into the Work Programme or appear on the agenda as appropriate.
- 2.5 The Committee may require a Head of Service to attend the next meeting of the Committee, where the Head of Audit Services has identified a risk but the target for controls to be put in place remains outstanding. This may be agreed either at the request of the Committee or if the matter is considered urgent, by the Chairman in consultation with the Chief Finance Officer.
- 2.6 Details of the currently identified items in the Work Programme are as follows:

24 March 2011		
Annual Audit and Inspection Letter	External Audit and Audit Commission	Report
Corporate Risk Management	Chief Finance Officer	Review
Corporate Risk Register ( <i>provisional</i> )	Head of Service - as appropriate	Updates on target dates missed
Anti Fraud and Corruption Strategy	Assistant Chief Executive	Review
Annual Audit Plan	Head of Audit Services	Report
Implementing IFRS	Chief Finance Officer	Update Report
Report on Review of Code of Corporate Governance and matrices	Head of Audit Services	Report
Committee's Work programme	Head of Audit Services/ Chief Finance Officer	Report

	/Audit Committee	
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**3. Resolution**

The Audit Committee is asked to consider and approve the Work Programme as submitted and/or amended at the meeting.

**Contact: Deanna Harris, Head of Audit Partnership (01784) 446207**

**Report Author: Gillian Hobbs, Committee Manager (01784) 444243**