

## **Report of the Chairman on the work of the Audit Committee**

The Audit Committee held a meeting on 24 March 2016 and considered the following items of business.

### **1. Annual Audit Letter 2014-15**

The Committee noted a report on the Annual Audit Letter 2014/15 from the Council's external auditor KPMG.

The Committee queried the process of appointing external auditors and whether a review should take place. The Deputy Chief Executive explained that up until 2017 local authorities have had no choice over appointment of their external auditors but that that will change when we participate in a national or Surrey procurement arrangement. The Committee noted that KPMG had been the external auditors for around 13 years.

### **2. Corporate Risk Management**

The Committee noted and accepted the quarterly update on the Corporate Risk Register and recommended it to Cabinet as an accurate reflection of the current corporate risks affecting the Council.

The Internal Audit Manager summarised the risks affecting the Council, as outlined in the report specifically the Corporate Health and Safety, business continuity plans, service planning, the Towards a Sustainable Future (TaSF) project, the amount of projects, staff morale and the procurement and contracts of the authority.

The Committee focused on the risks associated with corporate fraud and the successful investigations that had occurred in the last quarter. The Committee noted the good returns of £271,000 received at the end of December 2015 from a non-benefit fraud investigation of avoidance of business rates. The Committee noted the success of joint working with other Surrey borough and the fact that this had promoted more robust services and access to information to combat fraud.

### **3. Confidential Reporting Code (Whistleblowing Policy)**

The Internal Audit Manager submitted the Confidential Reporting Code (Whistleblowing Policy), which formed part of the Council's Constitution, for review. The Code sets out how to raise serious concerns about any aspect of the Council's work, who to raise them with and how they should be dealt with.

The Committee noted and accepted the changes to the Confidential Reporting Code (Whistleblowing Policy).

### **4. Annual Internal Audit Plan 2016-2017**

The Internal Audit Manager outlined the Annual Internal Audit Plan 2016-2017 which demonstrated how the authority would fulfil its statutory requirement to 'maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with proper internal audit practices.'

The Committee noted the Internal Audit Plan 2015-2016.

## **5. Anti-Fraud, Bribery and Corruption Strategy**

The Committee endorsed the Council's Anti-Fraud, Bribery and Corruption Strategy.

In addition the Committee noted the Council's position regarding CIPFA's Code of Practice on managing the risk of fraud and corruption.

## **6. Committee Date Reschedule**

The Committee rescheduled the next Audit Committee as it was set to take place on the same day as the EU Referendum.

The Committee agreed to hold the meeting on 7 July 2016.

## **7. Committee Work Programme 2015-2016**

The Committee approved its Work Programme for the 2016-2017 Municipal year.

**Councillor Mary Madams**  
*Chairman of the Audit Committee*

**28 April 2016**