

*Please reply to:*

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Our ref: GH/AUD  
Date: 4 December 2009

## **NOTICE OF MEETING**

### **AUDIT COMMITTEE**

**DATE: MONDAY 14 DECEMBER, 2009**

**TIME: 7.30 P.M.**

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

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

D.L. McShane (Chairman)  
M.L. Bouquet

H.R. Jaffer  
L.E. Nichols  
E. O'Hara

S.J. Rough  
H.A. Thomson

### **EMERGENCY PROCEDURE**

In the event of an emergency the building must be evacuated. All Members and Officers should assemble on the Green adjacent to Broome Lodge. Members of the Public present should accompany the Officers to this point and remain there until the Senior Officer 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) 446405

## **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 24 September 2009 (copy attached).

**4. CORPORATE RISK MANAGEMENT**

a) To receive an oral presentation from the Head of Environmental Health and Building Control. (see Min 310/09) (Briefing paper attached)

b) To receive a report from the Head of Asset Management (see Min 310/09) (Briefing Paper to follow)

c) To receive a report from the Chief Finance Officer (copy attached).

**5. AUDIT SERVICES QUARTERLY 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 2009-10**

The Committee is requested to consider and approve its work programme for the remainder of the Municipal year 2009/10 (copy attached).



## **MINUTES OF THE AUDIT COMMITTEE**

**24 SEPTEMBER 2009**

**Present:**

Councillor D.L. McShane (Chairman)  
Councillor S.J. Rough (Vice-Chairman)

Councillors:

M.L. Bouquet            L.E. Nichols

**Apologies:** Councillors H.R. Jaffer and H.A. Thomson

### **307/09    MINUTES**

The minutes of the meeting held on 25 June 2009 were approved as a correct record.

### **308/09    MATTERS ARISING FROM THE MINUTES DATED 25 JUNE 2009**

The Committee agreed to take the update on Minute 215/09 regarding the progress of the Health and Safety review of leased assets during the agenda item on the Corporate Risk Register.

### **309/09    EXTERNAL AUDIT REPORT ON 2008/09 STATEMENT OF ACCOUNTS, USE OF RESOURCES AND GOVERNANCE**

The Deputy 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 audit opinion of the Statement of Accounts
- Any uncorrected items in the Statement of Accounts
- Qualitative aspects of the Council's accounting practices and financial reporting
- Use of Resources scores
- 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.

In the absence of the Chief Finance Officer due to illness, officer responses to the External Auditor's recommendations (Appendix 6 to KPMG's report) were not available at the time of the meeting but would be circulated in due course.

Neil Thomas, on behalf of KPMG presented the report and responded to Members' questions. He highlighted points in the summary of findings and explained the change in scoring for Use of Resources. He commended the

authority for its Internal Audit work, which KPMG did not have to duplicate as it was able to rely upon this work entirely.

In response to a request from a member, the Deputy Chief Finance Officer agreed to re-word paragraph 2.8, bullet point 4 of the Report of the Chief Finance Officer, which had been extracted from the External Auditor's report, to provide more clarity. This would be incorporated in the minutes. The re-worded bullet point circulated to the Committee was as follows:

"The impairment of £1031K of non enhancing capital expenditure was not reflected in the Fixed Asset accounts. An adjustment was required to gross up the value of fixed assets to reflect the non enhancing capital expenditure and then write out this impairment charge to the Capital Adjustment Account. This adjustment had no effect on the Income and Expenditure balance".

**RESOLVED:-**

1. That the Assistant Chief Executive, in his role as statutory Chief Finance Officer, and the Chairman of the Audit Committee be authorised to sign the draft letter of representation as set out in Appendix 7 of the auditors' report ;
2. That Appendix 6 to the External Auditor's Report be circulated to the Committee; and
3. That the re-worded bullet point 4 in paragraph 2.8 of the Report of the Chief Finance Officer be circulated to the Committee and recorded in these minutes.

**310/09 CORPORATE RISK MANAGEMENT**

The Senior Auditor reported that the Corporate Risk Register had undergone its quarterly review and update by the Corporate Risk Management Group to ensure actions were being taken on identified risks. 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.

She summarised the progress which had been made in a number of areas on actions proposed at the last review to address high risks. Where target dates were overdue an explanation for this had been provided with a revised target date.

The Senior Auditor gave details of four areas where risks had not yet been fully addressed. Actions relating to: service plans for Environmental Health and Building Control; risk assessment for contaminated land; health and safety review of leased assets and corporate training on contract management were being addressed but there was still scope for further progress.

She gave an update on the progress of the Health and Safety review of leased assets. She reported that letters had been sent to the 43 identified and prioritised sites with a request that questionnaires be returned by end December 2009. The risk of each leased asset would be evaluated from the completed response and appropriate further action taken. If organisations did

not respond to the questionnaire they would be classified as high risk and this would trigger a follow up visit.

In relation to the risk assessment for contaminated land (Environment risk) she advised that the Environmental Health Manager was submitting a report to the October Cabinet meeting.

In relation to section 10 of the Risk Register (Partner/Contractor/Commercial), a member asked for clarification on the use of the term, "significant partnerships". The Head of Audit Services explained that National Guidance on scoring Partnerships on their "significance" was provided by CIPFA and she agreed to circulate the template of a scoring matrix which was used to assess the audit partnership at Elmbridge, to illustrate best practice in this area, to Committee members.

In relation to section 12 of the Risk Register (Environment), a member asked to see the minutes of the Delivery board which had met recently to consider delivery of National Indicator 188 on Climate Change. The Senior Auditor agreed to circulate the minutes to the Committee.

The Committee raised concerns about the continuing delay in progressing actions relating to two areas of the highest level of risk in the Risk Register; preparing a risk assessment for Contaminated Land and preparing a procedure document to clarify health and safety responsibilities and arrangements where the authority leases out assets. The Committee requested that the Heads of Service responsible for these actions attend the next meeting of the Committee to explain the other priorities which had delayed completion of these actions and why matters of such high risk had been postponed.

#### **RESOLVED**

1. that the contents of the Corporate Risk Register be noted and accepted;
2. that the scoring matrix used to assess "significant" partnerships be circulated to the Committee;
3. that the minutes of the delivery board for NI 188 be circulated to the Committee;
4. that the Heads of Environmental Health and Building Control Services and Asset Management be asked to attend the next meeting of the Committee to explain the continuing delay in completing actions on high level risks.

#### **311/09 AUDIT SERVICES QUARTERLY REPORT**

The Head of Audit Services presented her report which summarised the work undertaken by Audit Services during the period April 2009 – June 2009 and responded to questions from Members. Details of recommendations made by Audit Services as a result of completed audits were attached to the report.

Electronic access to the Audit Services' recommendation database would shortly be available to Audit Committee members.

Members sought reassurance that controls had been put in place after the IT virus incident and that the Council was going beyond "box ticking" in its efforts to comply with the Government Code of Connection.

The Committee requested a report at its next meeting to verify that the controls identified to comply with the Code of Connection in respect of removable media, were working in practice.

The Committee recognised the added value of the audit team in providing advice to Heads of Service in relation to special investigations and requested this be recorded in the minutes.

**RESOLVED:-**

1. That the Audit Services quarterly report for the period April 2009-June 2009 be noted and approved and
2. That a report be submitted to the next meeting on compliance with the Code of Connection in respect of removable media.

**312/09 COMMITTEE WORK PROGRAMME 2009/10**

The Committee considered its Work Programme for the remainder of the 2009/10 Municipal year. Issues raised at this meeting would be incorporated into the programme.

**RESOLVED** that the Work Programme as submitted and amended be approved.



**BRIEFING NOTE FOR THE AUDIT COMMITTEE, 14 DECEMBER 2009 FROM HEAD OF ENVIRONMENTAL HEALTH AND BUILDING CONTROL SERVICES**

In relation to the Audit Committee's comments at their last meeting on 24 September 2009, the following table outlines the reasons for the delay in producing the contaminated land risk assessment:

Possible changes in standards and Government Policy	<p>We previously delayed undertaking the risk assessment due to possible change in guidance, standards, DEFRA funding and our risk rating of sites, i.e.:</p> <ul style="list-style-type: none"><li>▪ There were possible changes in the pipeline in relation to DEFRA funding of local authority contaminated land work, following the Rogers' Review of Regulatory Services (this review indicated that contaminated land was not seen as a national priority). At present DEFRA funding is still available to support local authorities contaminated land work, although more Councils are bidding for the money available;</li><li>▪ Soil Guideline Values (SGV) (against which contaminated land sites were assessed) were being reviewed which could have redefined the levels of contamination that required further action. Most of the SGV's have now been withdrawn altogether and local authorities now have to make their own assessment of what levels of contamination present a significant risk of significant harm;</li><li>▪ The Pollution Control Team was in the process of re-risk rating potentially contaminated sites in the Borough.</li></ul>
Limited staff resources	<ul style="list-style-type: none"><li>▪ In addition to contaminated land work, the Pollution Control Team deals with the Council's statutory air quality work, pollution complaints, issuing permits for prescribed processes and commenting on issues relating to air quality and contaminated land in relation to planning applications received by the Council.</li><li>▪ When fully staffed, the team consists of a Principal Pollution Control Officer and two Pollution Control Officers (PCO).</li></ul>

	<ul style="list-style-type: none"> <li>▪ One of the PCO's has been on maternity leave since March 2009. We have only been able to cover 80% of her post with a consultant due to the costs involved.</li> <li>▪ The other PCO left Spelthorne to join a London Borough in October 2009 and prior to leaving he had to complete a range of work he was undertaking.</li> <li>▪ This loss of staff has coincided with high volumes of work for the team, including essential work for the Denman Drive site investigation (see below).</li> <li>▪ The limited size of the team means that any loss of staff or large scale projects/site investigations can have a significant affect on response times for work. The specialist nature of the work and the high volumes of statutory work being undertaken by the Service as a whole means that staff resources from other teams cannot easily be diverted to assist in such circumstances.</li> </ul>
High volumes of statutory work	<ul style="list-style-type: none"> <li>▪ The Pollution Control Team continue to deal with high volumes of work, including reactive work (dealing with complaints and planning application referrals) and planned work (e.g. inspection of prescribed processes, air quality monitoring and risk rating of contaminated land sites). The Denman Drive site investigation has also reached a critical stage and has been a significant draw on staff resources (including dealing with contracts, working with consultants, reviewing reports and dealing with enquiries and other communications with residents). This work had to take priority over work on the risk assessment.</li> </ul>
Limited external support	<ul style="list-style-type: none"> <li>▪ When the risk assessment was first requested, Audit Services were advised that environmental health would need support in undertaking such an assessment. There was an initial suggestion that an auditor from Surrey Heath could assist in this process as he had done similar work with his authority, but we suggested that the level of support and expertise needed required further consideration in view of the fact that Spelthorne was far more advanced in our contaminated land work than Surrey Heath. Audit Services have provided a list of guidelines to follow, which have been used by environmental health in producing the risk assessment.</li> </ul>

Need to for consultation	<ul style="list-style-type: none"> <li>▪ The sensitive nature of our contaminated land work has meant that we have had to consult and update a number of parties, including the Leader, Cabinet portfolio holder and Cabinet on a range of issues prior to progressing the Denman Drive site investigation and finalising our draft risk assessment.</li> </ul>
Developing knowledge/experience	<ul style="list-style-type: none"> <li>▪ Spelthorne is more advanced in our contaminated land work than most local authorities in Surrey and for some of our work there is very little information/experience we can draw on from local authorities nationally.</li> <li>▪ Although we are learning all the time, we have gained significant knowledge and experience in dealing with contaminated land from the Denman Drive site investigation and our other work. This has enabled us to develop robust procedures and safeguards in dealing with contaminated land sites.</li> <li>▪ Although we accept the need to produce the risk assessment as a means of drawing together our existing risk management mechanisms and identifying any gaps, taking into account the precautions we already take in relation to our contaminated land work, we do not consider that we have postponed dealing with any high risk matters. The risk assessment produced has not outlined any significant risks which have not already been considered and addressed where possible.</li> </ul>

# Position Statement on Health and Safety in Leased Properties Project

November 09

## ***Background – where are we now?***

The project began in May 09. The original scope of the project was to contact existing tenants of the 46 non operational sites which were leased from the Council and issue them with a questionnaire regarding their site's compliance with Occupiers Liability Act and Health and safety legislation. The Council must test the tenants understanding of this through a system of audit, inspection and review as a once off to measure the baseline and to introduce a system/process for future years.

A questionnaire was devised with the Health and Safety officer Stuart Mann and this was then e mailed to the relevant contacts with the links to the relevant sites for information. This provided very little response and the decision was taken in September to then send paper copies to them all by recorded post with a deadline of response by December 2009.

As of today 8 are completed and on SHE system, 15 have not been sent as yet due to sensitive issues. 20 have been sent and not returned completed as yet as they have not reached the deadline of Dec 09.

A process for assessing risk has been written and is attached- Appendix A

## **Risks and Issues**

**Issue** The information on current tenants and their contact names and addresses is not held on a shared central register between finance, legal and asset management. It is not easy to make contact with all tenants either via e mail or Royal Mail

**Risk** Not all sites have been contacted- some were reserved as being too sensitive for various reasons, these include the bowls clubs which have just gone into self management and all the sites where there was Quadron occupancy.

**Risk** Legal were not fully aware that we were contacting all tenants in the first instance

**Risk** The way new tenants are set up – compliance testing for new tenants is not in the scope of the project but there are no procedures for this

### ***Where do we want to be?***

- To have in place a single shared database of all Council owned tenanted properties with up to date contact details and appropriate information regarding rent review dates, income etc. At the moment the information is distributed.
- To have completed questionnaires for all tenanted properties and to inspect where the information is not completed/where there are risks
- To enter all the information onto the SHE system which will alert by e mail for when a new review is necessary
- To have processes in place for dealing with Health and safety for all new tenants.

## **Appendix A** **Process for assessing Risk in Council leased land** **or property**

There are 46 sites occupied by Council tenants.

The tenant has responsibilities and obligations to anyone using or visiting that site or property under both the Occupiers Liability Act and Health and Safety Legislation.

Likewise the Council as the landlord has a responsibility under the Occupiers Liability Act and Health and Safety Legislation to ensure sure the tenant understands these responsibilities and obligations and tests through a system of inspections, audits and reviews.

The system for audit, inspection and review will follow one of the following routes:

**New Tenants** – will be assessed through a questionnaire before the tenancy is issued, dependent upon the answers given further information where required will be requested. If the activity is considered hazardous or not enough detail has been given in the initial assessment then either further information will be requested or a visit may be undertaken. Once the council is satisfied that the tenant has a system that is satisfactory the tenancy/licence will be issued a review date will be allocated. This will be 1 year for high risk activities, 3 years for medium risk activities and 5 years for low risk activities.

**Current Tenants** - will be assessed through a questionnaire, dependent upon the answers given further information where required will be requested. If the activity is considered hazardous or not enough detail has been given in the initial assessment then either further information will be requested or a visit may be undertaken. Once the council is satisfied that the tenant has a system that is satisfactory a review date will be allocated. This will be 1 year for high risk activities, 3 years for medium risk activities and 5 years for low risk activities.

The Council will hold the information, questionnaire, risk assessments, insurance certificates and all other associated documentation in electronic format on the Safety, Health and Environmental (SHE) system.

The SHE system record review dates will be set to send out reminders when a tenanted asset required re-assessment.

The overall aim of the system is to provide the Council with the level of protection required in maintaining and managing its tenanted assets by making best use of officer time through the use of a risk based approach.



Spelthorne Borough Council  
Health and Safety Self Audit Questionnaire 2009

<b>Business/Organisation Name:</b>	
<b>Address:</b>	
<b>Nature of business/Activity (include any secondary activity):</b>	
<b>Telephone Number:</b>	
<b>Number of Volunteers or Staff:</b>	

	<b>Safety Topic(All these topics relate to requirements of Safety Regulations)</b>	<b>Comments / Action to be taken Page of HSE Booklet: see right Please Tick/Circle/Underline (N/A:Not Applicable)</b>	<b>Page No.</b>
<b>1</b>	Are you displaying the Health & Safety law poster?	<b>Yes:</b> <b>No:</b> I will buy and display one <b>N/A:</b> there are no employees	Page1
<b>2</b>	Is this poster completed correctly? (See safety information sheet attached)	<b>Yes:</b> <b>No:</b> I will complete it <b>N/A:</b>	
<b>3</b>	Has at least one suitably trained <b>competent person</b> been appointed to manage safety? (A competent person must have sufficient experience, knowledge and other qualities.)  Have staff/volunteers had adequate <b>safety training</b> and instruction?	<b>Yes:</b> <b>No:</b> I will arrange for someone suitable to be appointed. <b>Name(s):</b> <b>Position(s):</b>  <b>Yes:</b> <b>No:</b> I will arrange training.	Page 4
<b>4</b>	Is an <b>employer's liability insurance</b> certificate displayed?	<b>Yes:</b> please attach <b>No:</b> I will find our certificate and display it and send you a copy	Page 1
<b>5</b>	Does your business employ 5 or more staff/volunteers? If so, has a <b>safety policy</b> been prepared and displayed?	<b>Yes:</b> please attach <b>No:</b> I will prepare one and display it and send you a copy.	Pages 3, 21



6	<p>Does the <b>safety policy</b> include:</p> <p>(a) general statement of management commitment</p> <p>(b) detail management and staff/volunteer roles</p> <p>(c) safety procedures.</p>	<p><b>Yes:</b>  <b>N/A:</b>  <b>No:</b> I will amend it and send you a copy.</p>	<p>Pages 3, 21</p>
7	<p>Are there <b>risk assessments and safety procedures</b> to control all significant hazards?  <b>(Where 5 or more staff/volunteers are employed, risk assessments must be documented whatever the type of hazard.)</b></p>	<p><b>Yes:</b> please attach 2 assessments  <b>No:</b> I will ensure these risk assessments are produced and send you 2 examples.</p>	<p>Pages 3, 32</p>
8	<p>Do you have any <b>lifting equipment</b>?  If so, are reports on file of a thorough examination of each piece of equipment by a competent person as required by the Lifting Operations and lifting equipment Regs?</p>	<p><b>Yes:</b>  <b>N/A:</b>  <b>No:</b> I will obtain these reports e.g. from my insurance company.</p>	<p>Page 20</p>
9	<p>Do you have any <b>lifting equipment</b>?  If so, are reports on file of a thorough examination of each piece of equipment by a competent person as required by the Lifting Operations and lifting equipment Regs?</p>	<p><b>Yes:</b>  <b>N/A:</b>  <b>No:</b> I will obtain these reports e.g. from my insurance company.</p>	<p>Page 13</p>
10	<p>Do staff regularly use <b>display screens</b>, such as computers?  If so, have suitable <b>display screen work station assessments</b> been carried out?</p>	<p><b>Yes:</b>  <b>N/A:</b>  <b>No:</b> I will purchase the HSE "easy guide" and carry out these assessments.</p>	<p>Page 9</p>
11	<p>Are all <b>slip or trip</b> hazards controlled?</p>	<p><b>Yes:</b>  <b>No:</b> I will arrange for improvements.</p>	<p>Page 4</p>
12	<p>Has a suitably competent person surveyed your premises and identified what <b>asbestos</b>, if any, is present?</p> <p>Has the asbestos survey been recorded in a <b>register</b> kept on site?</p> <p>Does the register detail the location of any asbestos and the measures adopted to control the hazard?</p>	<p><b>Yes/No</b> - I will arrange this survey.</p> <p><b>Yes/No</b> - I will arrange for a register to be set up.</p> <p><b>Yes/No</b> - I will arrange for the register to be improved.</p>	<p>Page 5</p>
13	<p>Are any <b>hazardous substances</b> used by staff/volunteers? (Pictograms usually present)</p> <p>If so, have <b>safety data sheets</b> for these substances been obtained from suppliers?</p> <p>Have <b>risk assessments</b> been made for the use of these chemicals on site and safety procedures been adopted?</p>	<p><b>Yes/No</b></p> <p><b>Yes/N/A/No</b> - I will obtain these data sheets.</p> <p><b>Yes/N/A/No</b> - I will arrange for risk assessments and safety procedures to be produced.</p>	<p>Page 6</p>

14	14. Do any staff/volunteers work at height, i.e. on ladders, steps?  If so, has a safe method of work been established	<b>Yes/No</b>  <b>Yes/N/A/No</b> – I will produce one for each type of work situation.	Page 7
15	Is there a <b>risk of injury from lifting</b> and manual handling?  If so, have you adopted measures to reduce the risk of injury to the lowest reasonably practicable?	<b>Yes/No</b>  <b>Yes/N/A /No</b> - I will produce such measures.	Page 8
16	Is every effort made to separate pedestrians from <b>vehicle movements</b> ?  Are the drivers of fork lift trucks and other work vehicles suitably trained?	<b>Yes/N/A/No</b> - I will arrange for improvements.  <b>Yes/N/A/No</b> – I will arrange training by a registered trainer.	Page 15
17	Do you operate as a food business?  If so have you registered with SBC Environmental Health Department?  If you are Registered are all safeguards required under the current food regulations being undertaken	<b>Yes/No</b>  <b>Yes/No</b> – I will do this  use SSBB/another system	
18	Have you displayed “No Smoking”?  These should be places at all entrances.	<b>Yes/No</b> – I will do this	
19	Do you have a Fire Risk Assessment (See safety information sheet)	<b>Yes</b> – Please attach  <b>No</b> – I will arrange for this to be undertaken without delay and send a copy	Page 30
20	Do you have a Fire Log Book  Fire Log Books are used to record when the Fire System was last checked services. The type and location of Fire Extinguishers, Fire Drills and Fire Training.	<b>Yes/No</b>  <b>No</b> – I will arrange for this to be undertaken without delay	Page 30
21	Do you have your electrical installation inspected and tested regularly? Every 5 years?	<b>Yes/No</b> <b>No</b> – I will arrange for this to be undertaken without delay	
22	22. Do you have your water system inspected and tested regularly?	<b>Yes/No</b> <b>No</b> – I will arrange for this to be undertaken without delay	

**Safety Auditor:**

<b>Name:</b>	
<b>Position:</b>	
<b>Signature:</b>	
<b>Date:</b>	

**Manager/Proprietor/Owner/Leader:** (with overall responsibility for H&S)

<b>Name:</b>	
<b>Position:</b>	
<b>Signature:</b>	
<b>Date:</b>	

**CORPORATE RISK MANAGEMENT**  
**Audit Committee 14 December 2009**  
**Report of the Chief Finance Officer**  
**Resolution Required**  
**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 revised Corporate Risk Register and proposed actions for improvement.

**Key Issues**

- The Corporate Risk Register has been reviewed and updated.
- Progress on actions proposed at the last/prior review has been documented on the register.
- Further actions have been proposed in the register to mitigate risks as far as possible.

**Financial Implications**

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

**Corporate Priority**

All 12 Priorities.

**Officer Recommendations**

**The Audit Committee is asked to note and accept the contents of the Corporate Risk Register, and the Cabinet is requested to approve it.**

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

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

**Lead Member: Councillor McShane**

**Portfolio Holder: Councillor Vivienne Leighton**

## MAIN REPORT

### 1. BACKGROUND

- 1.1 The Council's Risk Management policy/strategy, flowchart of responsibilities and Corporate Risk Register can be found on Spelnet, and the service risk registers can be found on global public folders.
- 1.2 The Audit Committee is responsible for considering the effectiveness of the authority's risk management arrangements, and receives regular reports on risk issues.
- 1.3 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 have revised the Corporate Risk Register (Appendix 1). Actions required to reduce risks are shown together with officers responsible for implementing recommendations and deadlines. Where actions made previously have been addressed, it is still felt that risks need to remain in the register, as they represent the authority's most significant risks, i.e. could have a major impact on service provision/delivery if not managed effectively, or could potentially result in serious injury/fatality.
- 2.2 Progress on actions proposed at the last review has been documented on the attached register (please refer to columns titled control/action and progress). Progress has been made in areas such as IT Security (further IT disaster recovery test scheduled for December 2009, new firewall installed, and actions from independent health check addressed); issues arising from the corporate training on Business Continuity in July 2009 are being taken forward by the Business Continuity and flu forum; under emergency planning the major incident flood plan was approved by the Surrey Local Resilience forum; reporting to Members on a partnership governance policy at SBC and the need for regular review of our significant partnerships; mandatory training relating to procurement and contract management will be provided to officers during November 2009 and Contract Standing Orders have been updated; delivery board meetings commenced to monitor implementation of the sustainability strategy and delivery of National Indicator 188 (Climate Change).
- 2.3 The following areas have not been fully addressed:
  - (a) Service plans outstanding for Environmental Health and Building Control areas, although it is acknowledged they are almost complete. (Technology/Infrastructure/Operations risk). Please see part 1 of the detailed risk register.
  - (b) Risk assessment for contaminated land (Environment risk). A draft risk assessment has now been produced for comment, with a view to taking this to the Audit Committee on 14 December, where the Head of Environmental Health will be providing an update. Please see part 7 of the detailed register.

- (c) Procedure document to clarify health and safety responsibilities where assets leased (regulatory/legal risk). Whilst some progress has been made on the leased asset project, there are a number of outstanding returns/surveys, and the general procedure document will be drawn up at project completion stage. The Head of Asset Management will be attending the Audit Committee on 14 December 2009 to provide an update. Please see part 8 of the detailed register.

2.4 A new action has been proposed in the corporate risk register aimed at addressing potential risks relating to the recent departure of the Environmental and Technical Projects Officer, to ensure there is adequate support and resilience should an emergency arise (see Environment risk under category 6).

2.5 In the current economic climate there is a greater risk that individuals will perpetrate fraud, and therefore the risk of fraud, its implications, and controls in place at Spelthorne have been added to the register (see Financial risk under category 13).

2.6 It should be noted that the new corporate priority themes have been used for the purpose of relating specific risks to priorities.

### **3. OPTIONS ANALYSIS**

#### **Either:**

- 1. To accept the Corporate Risk Register as drafted and proposals for improving overall risk management arrangements. (Preferred option) 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 The Audit Committee is asked to note and accept the contents of the Corporate Risk Register, and the Cabinet is asked to approve it.

### **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 Risk register outlines circumstances where the authority may well be at risk of unacceptable outcomes; risks to health and safety; risks to the finances of the council etc. Should these risks not be addressed adequately then it follows that there may well be undesirable legal consequences arising. The purpose of the risk register is in part to avoid such consequences.

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

- 8.1 If actions outlined in the Corporate Risk Register are endorsed by Members and implemented by relevant officers, this should improve the council's overall risk management arrangements.

**9. TIMETABLE FOR IMPLEMENTATION**

- 9.1 The Corporate Risk Register shows officers responsible for progressing actions, together with timescales for implementation.
- 9.2 The revised Corporate Risk Register will be placed on Spelnet and actions will be monitored by the Corporate Risk Management Group.

**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 – 2009/10 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(s)	Progress
1. Technology/ Infrastructure /Operations	Failure to align service objectives to corporate aims	All	3	<b>Controls:</b>	Service Heads	Apr 2009 (Revise to Dec 2009)	<b>Some.</b> <b>Nov 09: The Environmental Health &amp; Building Control Plan is almost complete, following a full Service workshop in July 09. Awaiting outcome of budget task group before finalising.</b>
				<ul style="list-style-type: none"> <li>• Service plans are derived from Community and Corporate Plans.</li> </ul>			
				<ul style="list-style-type: none"> <li>• New corporate priorities communicated.</li> </ul>			
				<b>Action: All Service Plans should be updated annually and reflect new corporate priorities. It is noted that due to the need to focus on budget issues updating of service plans have been deferred to spring 2010</b>			
2. Technology/ Infrastructure/O perations	Failure of projects due to poor project management and overstretched resources.	All	3	<b>Controls:</b> <ul style="list-style-type: none"> <li>• Master list of projects reviewed by Management team monthly to assess resources/skills/capacity to deliver</li> </ul>	MAT	Ongoing	Ongoing
				<ul style="list-style-type: none"> <li>• Agreed project management methodology overseen by Project Sponsors.</li> </ul>	MAT	Ongoing	Ongoing



Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date(s)	Progress
				<ul style="list-style-type: none"> <li>Programme boards issue progress/exception reports to MAT on projects within their programme</li> </ul>	MAT	Ongoing	Ongoing
<b>3. Technology/ Infrastructure/Operations</b>	3i. Security breaches/system failure/ loss of data	All	3	<b>Controls:</b> <ul style="list-style-type: none"> <li>Back up and continuity arrangements managed by Steria and tested by Service Heads.</li> </ul>	TC/HD	Ongoing	Actioned/Ongoing
				<ul style="list-style-type: none"> <li>IT security policies. Personal Commitment statement required from all staff.</li> </ul>			
				<ul style="list-style-type: none"> <li>Contractual responsibilities of Steria.</li> </ul>			
				<ul style="list-style-type: none"> <li>IT security group assess ongoing risks.</li> </ul>			
				<ul style="list-style-type: none"> <li>IT disaster recovery test held in June 2009 and further test scheduled for Dec 2009 where any outstanding actions from June will be addressed.</li> </ul>			
	3ii. Failure to meet the minimum security requirements of the new Government Code of Connection resulting in termination of connection to any other government sites/data.	All	3	<b>Controls:</b> <ul style="list-style-type: none"> <li>COCO review group assess compliance with the Code of Connection</li> <li>Successfully passed security requirements of the Government Code of Connection in January 09, and currently being reassessed (Nov 09).</li> <li>IT Security Penetration test completed in April 2009. New firewall been installed.</li> </ul>	TC/HD	Ongoing	Actioned/Ongoing

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date(s)	Progress
				<ul style="list-style-type: none"> <li>Independent health check completed in July 2009 with results fed back to the ICT task group. Actions identified have been addressed.</li> </ul>			
<b>4. Financial</b>	Poor return on long term investments/investments insecure in current climate.	All	3	<p><b>Controls:</b></p> <ul style="list-style-type: none"> <li>Treasury Management strategy approved by Members. Aim to select counter parties of the highest credit quality; credit ratings monitored closely.</li> <li>Councils investments managed internally in consultation with Sector Treasury.</li> <li>Use Fitch ratings and criteria recommended by Sector Treasury.</li> <li>Regular monitoring and reporting of investment portfolio and returns achieved.</li> </ul>	TC		
<b>5. Technology/ Infrastructure/Operations</b>	Disaster in Council buildings / Lack of continuity planning within services and reliance on individuals/systems	All	3	<p><b>Controls:</b></p> <ul style="list-style-type: none"> <li>Assistant CX (Bob Coe) responsible for chairing the 'Gold' corporate group in the event of an incident where business continuity plans need to be invoked.</li> <li>Assistant CX (BC) currently responsible for co-ordinating business continuity plans.</li> </ul>	Service Heads/MAT	Annual/Ongoing	<b>Actioned//Ongoing Nov 09: A corporate training/desk top test was held on 30.7.09 which focused on assessing the consequences of Pandemic flu on SBC services. Issues arising are being taken forward by the business continuity and flu forum.</b>

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date(s)	Progress
				<b>Action: <i>The authority should ensure the plans are fully communicated, tested and updated regularly.</i></b>			
<b>6. Environment</b>	Disaster- major in borough, e.g. pandemic influenza, resulting in inability to provide services	Environment	4	<b>Controls:</b> <ul style="list-style-type: none"> <li>• Emergency plan been updated Aug 09, acknowledging need for Deputy officers to provide cover as appropriate. Annual review and testing of plan scheduled.</li> <li>• Desk top testing exercise successfully completed in Dec 08 with lessons learnt fed into revised Emergency plan.</li> <li>• Risk assessments completed and major incident flood plan been submitted to Surrey Local Resilience forum, with subsequent approval by MAT by Dec 2009.</li> <li>• Advice and training provided by Surrey Local Resilience forum and the PCT, although recent departure of the Environmental and Technical Projects Officer.</li> <li>•</li> </ul>	NL/SM	Dec 2009	<b>Ongoing.</b> <b>Nov 09: The Head of Environment Services has approached Runnymede Borough Council about scope for sharing resources. .</b>

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date(s)	Progress
				<b>Action Nov 09: To ensure there is adequate support and resilience within the Authority should an emergency arise, opportunities for the former Environmental and Technical Projects Officers post to be shared with another authority should be explored.</b>			
<b>7. Environment</b>	Uncertainty surrounding the financial /other consequences of contaminated land	Environment	4	<b>Controls:</b> <ul style="list-style-type: none"> <li>• Legal duty to inspect land and prioritise action</li> <li>• Progress reports issued to MAT outlining financial and other risks</li> </ul> <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>	LB/LO	Jan 2009 (Revise to Dec 2009)	<b>Some. Nov 09: A draft risk assessment has now been produced for comment. This will be finalised following discussions with the Leader and Portfolio Holder, with a view to taking this to the December Audit Committee. Delayed due to other priorities and resource limitations/staff leave.</b>  <b>The Head of Environmental Health will be attending the Audit Committee on 14<sup>th</sup> December 2009 to provide an update.</b>

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date(s)	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></p> <ul style="list-style-type: none"> <li>• Managers responsible for conducting regular risk assessments</li>   <li>• Induction training for staff and policies clarify responsibilities</li>   <li>• 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.</li> </ul>	DP	Jan 2008 (Revised to June 2009)  (Revised to Dec 2009)	<p><b><i>Some. Nov 09: The Head of Asset Management advised the Audit Committee on 24 June 2008 of a delay in meeting original target date and proposed a new completion date of June 2009 (due to the size of the project, other priorities and resource limitations). The ACX advised the Audit Committee on 25 June 2009 of a revised completion date of Dec 2009. The following progress has been made:</i></b></p> <ul style="list-style-type: none"> <li>-Leased asset sites have been identified and prioritised (43).</li> <li>-Questionnaires have been sent to 28 sites. Asset Management have had difficulty ascertaining contact information about many sites causing some delay.</li> <li>- 15 sites are on hold as there are issues regarding sensitivity of sites.</li> <li>- There are seven</li> </ul>

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date(s)	Progress
				<ul style="list-style-type: none"> <li>Contract let to manage Legionella and progress reported to AMG and MAT as appropriate.</li> </ul> <p><b>Action: Procedure document required to clarify health and safety responsibilities/ arrangements where the authority leases out assets.</b></p>			<p><b>completed surveys.</b></p> <ul style="list-style-type: none"> <li><b>- Outstanding returns will be monitored, and it is anticipated that assessments for high risk sites will be completed by the end of 2009.</b></li> <li><b>- Regular flash reports showing progress with the project, enabling monitoring.</b></li> </ul> <p><b>The general procedure document will be drawn up at project completion stage. The Head of Asset Management will be attending the Audit Committee on 14<sup>th</sup> December 2009 to provide an update.</b></p>
<b>9. Regulation/ Legal / Litigation</b>	Failure to comply with employment legislation or statutory duty, resulting in an increase in employment discriminatory cases being submitted with the following potential consequences:	All	3	<p><b>Controls:</b></p> <ul style="list-style-type: none"> <li>Human Resources identify new employment legislation</li> <li>HR provide staff guidance on new/existing legislation and arrange training to ensure compliance</li> </ul>	Service Heads/ JH/MAT		

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date(s)	Progress
	<p>-Compensation levels for discriminatory claims are unlimited leading to significant financial payout as well as damage to authority's reputation</p> <p>-Claims dealt with via employment tribunal incur high legal costs, significant officer time, effecting service provision (Legal, HR and relevant service area)</p>			<ul style="list-style-type: none"> <li>• Clear documented processes exist for Recruitment and Selection, and Managers Briefings provide opportunity to promote corporate procedures.</li> <li>• Equality and Diversity working group set up</li> </ul>			
<p><b>10. Partner/ Contractor/ Commercial</b></p>	<p>Allegations that contracts have not been awarded fairly and failure to obtain best value for money for the authority.</p> <p>Poorly drafted contract agreements leading to contractual disputes and Potential claims.</p> <p>Contracts are entered into on the supplier's terms and conditions, increasing the likelihood of contract disputes</p>	All	3	<p><b>Controls:</b></p> <ul style="list-style-type: none"> <li>• Performance measures in place and contractual safeguards - Management responsibility</li> <li>• Work being conducted on review of strategic and internal partnerships</li> <li>• Contract guidelines (simplified version of CSO'S) are being drafted</li> </ul>			

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date(s)	Progress
	<p>Weak contract monitoring resulting in Contractors/partners failing to deliver expected outcomes (cost and quality).</p> <p>Poor clarity over roles, responsibilities and accountability relating to partnerships, resulting in lack of focus/vision. Inconsistencies in the</p>			<p><b>Action 1 : Managers should formalise protocols/agreements for all <u>significant</u> partnerships, ensuring that roles and responsibilities of each party are clear and risks identified. Outcomes should be monitored against expected targets/objectives.</b></p>	<p>Service Heads/ MAT/TC /MG</p>	<p>Apr 2009 (Revise to Sep 2009)</p>	<p><b>Actioned/Ongoing. Action 1 and 2 –Nov 09:</b></p> <p><b>The Head of Corporate Governance has liaised with Elmbridge to share best practice in this area, and reported to PM &amp; R committee in June 2009 on the application of a partnership governance framework.</b></p> <p><b>Members were provided with a draft Partnership Governance policy in</b></p>



Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date(s)	Progress
	way partnerships are managed across the authority			<b>Action 2 : There is scope for drawing up a partnership framework that applies to all significant partnerships, to ensure that proper governance arrangements exist around our partnerships. It is understood that the Head of Corporate Governance is currently reviewing partnership governance arrangements. SBC should share best practice with other Councils.</b>	Service Heads/ MAT/TC /MG	Apr 2009 (Revise to Sep 2009)	<b>September 2009, which followed advice provided by CIPFA, SOLACE and the Audit Commission. The Head of Corporate Governance has also set out examples of significant partnerships that should fall under the policy, and the importance of partnerships being reviewed.</b>
<b>10. Partner/ Contractor/ commercial</b>	See above.	All	3	<b>Action 3 :</b> <ul style="list-style-type: none"> <li>• <b>Mandatory training should be provided for relevant staff relating to the tendering, selection, awarding and monitoring of contracts, and applied to the management of contracts. (NB Procurement training has been provided and Corporate Governance are organising further contract</b></li> </ul>	Service Heads/ MAT/TC /MG	Apr 2009 (Revise to Dec 2009)	<b>Some. Action 3 – Nov 09: The Due-North E-Tendering system (test system) is being used by Asset Management and Environment Services, and the system will be rolled out to other users on a ‘need to use’ basis. Training relating to procurement and contract</b>

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date(s)	Progress
				<p><i>training for relevant officers).</i></p> <p><i>Staff should be reminded of the requirement to comply with CSOs and Financial Regulations, and to seek approval for exemptions as appropriate.</i></p> <ul style="list-style-type: none"> <li><i>Staff should pass draft contract agreements to Legal for review (where over £20k or considered high risk)</i></li> <li><i>Regular contract monitoring should be carried out, to ensure that planned outcomes and objectives are met. Consideration should be given to how the system of contract management could be strengthened eg by channelling all asset related contracts through AM.</i></li> </ul>			<p><i>management has been arranged for 23.11.09. CSO's have been updated which will be followed by review of the Procurement Manual. Responsive management is being brought under asset management which may facilitate contract monitoring/management in this area.</i></p>
<b>10.Partner/ Contractor/ Commercial</b>	Suppliers/contractors go out of business, affecting the completion of contract works/service delivery, and ability to pay business rates.	All	3	Controls: Financial Services monitor the financial media in relation to larger companies and critical commercial partners that the authority engages with.	Service heads/M AT/TC	Jan 2009	Ongoing.

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date(s)	Progress
11. Economic/ Social	Service planning difficulties due to changes in economic and social conditions beyond Council's control	Environment /Economic Development	3	<b>Controls:</b>	SM/BC	Ongoing	
				<ul style="list-style-type: none"> <li>• Long term strategic planning</li> </ul>			
				<ul style="list-style-type: none"> <li>• Corporate and community plans linked to service plans</li> <li>• New corporate priority themes</li> </ul>			
12. Environment	Failure to deliver sustainable community strategy	Environment	3	<b>Controls:</b>			
	Failure to deliver/implement adaptation to climate change strategy resulting in :			<ul style="list-style-type: none"> <li>• Climate change strategy</li> </ul>			
				<ul style="list-style-type: none"> <li>• Environmental impact assessments completed.</li> </ul>			
				<ul style="list-style-type: none"> <li>• Sustainable strategy prepared with action points</li> </ul>			
				<ul style="list-style-type: none"> <li>• Delivery board set up to monitor implementation of sustainability strategy and delivery of National Indicator 188 (Climate Change). Meeting minutes will be available.</li> </ul>			
	BC/SM	Ongoing	Ongoing				
	-Contravening relevant legislation (climate change act 2008)						
	-Poor resilience to climate change by services and community						
	-Services are not adequately prepared for climate change, effecting service delivery.						

Risk Category	Risk / Consequences	Corp Priority	Level Of Risk	Control / Action	Owner ship	Target Date(s)	Progress
<b>13. Financial</b>	Fraud / theft (income, assets, payments), resulting in financial losses and damage to reputation of authority.	All	3	<ul style="list-style-type: none"> <li>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 .</li> </ul>	Service Heads/ MAT	Ongoing	
	In current economic climate, increased risk that individuals will be tempted to perpetrate fraud.			<ul style="list-style-type: none"> <li>Service risk assessments outlining control procedures and arrangements in place to prevent the risk of fraud or help detect it.</li> <li>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.</li> </ul>			

*Reviewed November 2009*



**AUDIT SERVICES UPDATE REPORT**

**Audit Committee: 14 December 2009**

**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 July – November 2009.

**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 July - November 2009.**

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

**Portfolio Holder: Councillor 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 During the period the team has been operating below full capacity due to a vacancy and some sick leave. The audit plan has been reviewed, work re-prioritised and a temporary auditor employed. A review of the overall audit organisation across the three authorities has been undertaken and discussions are currently taking place regarding the future shape of the partnership.

### 2. KEY ISSUES

- **Audit Recommendations**
- **Audits Completed (to Final/Draft)**
- **Audit Partnership**

#### 2.1 Audit Recommendations

Members of the Audit Committee have been provided with access to the database of audit recommendations via email.

#### 2.2 Audits Completed (to Final/Draft)

**\* Level of Audit Assurance - Full/ Substantial/ Limited/None**

Audit has introduced a key to indicate the level of assurance Audit feels it is able to give to a system it has reviewed. There are four levels of assurance: full assurance; substantial assurance; limited assurance; no assurance.

Audit	Assnce*	Significant issues raised by Audit
Environmental Health	Substantial	<ul style="list-style-type: none"> <li>• Completion of contaminated land risk assessment</li> <li>• Service plan should be finalised</li> <li>• Alternatives to the taxi license income system should be explored to reduce risk of cash handling</li> <li>• Consideration should be given to strengthening control over enforcement and verification of documentation to support taxi licenses</li> </ul>
Building Control	Substantial	<ul style="list-style-type: none"> <li>• Documentation relating to validation of applications and income should be retained.</li> <li>• Reconciliations should be undertaken between the BC system and financial systems.</li> </ul>

Environment Services	Substantial	<ul style="list-style-type: none"> <li>• Loss of member of staff responsible for Emergency Planning – implications to be evaluated including potential for shared post with another local authority</li> <li>• Action Plan with assigned targets required for Climate Change Strategy</li> </ul>
Capital Accounting	Substantial	<ul style="list-style-type: none"> <li>• Asset Management to create schedule of assets for revaluation</li> <li>• Valuations required to support significant disposals</li> <li>• Improvements required in the recording of IT disposals</li> <li>• Reconciliation of asset management database to fixed asset register.</li> </ul>
Customer and Office Services	Substantial	<ul style="list-style-type: none"> <li>• Services should be reminded to forward draft contracts to Legal for review prior to the letting of contracts, as well as notifying Legal of contracts.</li> <li>• Checks carried out to monitor the performance of the Shred-on-Site contract should be evidenced.</li> <li>• Need to comply with CSO's when letting print contracts.</li> <li>• Quarterly reminders should be issued to <u>all</u> staff regarding the corporate incident register, outlining its purpose, procedures to follow for making an entry, and how to access the register.</li> <li>• Relevant staff should be alerted whenever there has been a new entry added to the corporate incident register.</li> <li>• Independent management checks required to confirm monies received at Reception reconcile to income records.</li> </ul>
Insurance	Substantial	<ul style="list-style-type: none"> <li>• Insurance claims should be analysed by the Corporate Risk Management Group (CRMG) to identify trends or patterns which may help to minimise the recurrence of incidents. The Insurance Officer should conduct an annual trend analysis exercise</li> <li>• The CRMG should facilitate risk reduction strategies and promote the implementation of procedures that will reduce the risk of incidents reoccurring.</li> <li>• Services responsible for carrying out routine inspections should document this as evidence in the event of claims.</li> <li>• Areas where routine inspections are not being conducted need to be brought to the attention of the CRMG</li> <li>• Responsibilities of the Systems Accountant and Insurance Officer regarding risk management and insurance should be clarified by the ACX (TC) and reflected in his latest job description. The linkages between risk management and Insurance should be highlighted.</li> </ul>



Insurance	Substantial	<ul style="list-style-type: none"> <li>• Direct Services and Car Parks should pursue advice provided by the Insurance Officer to help reduce the risk of claims in their areas.</li> </ul>
Shopmobility	N/A	<ul style="list-style-type: none"> <li>• Due to the increased level of grant funding issued to Staines Shopmobility during 2008/09, a Compact should be put in place.</li> <li>• The use of controlled stationery i.e. sequentially numbered receipts to improve control over cash.</li> <li>• To reduce the risk of error and/or theft, staff should consider the purchase of a till.</li> <li>• Shopmobility should consider approaching neighbouring Shopmobility schemes and other organisations that purchase vehicles to consider joint procurement opportunities for vehicles.</li> <li>• Each member of staff with access to the computer should be issued with their own unique user name and password to provide an effective audit trail. The lock out period for the computer should be reduced to 15 minutes.</li> </ul>
Main Accounting Systems	Substantial	<ul style="list-style-type: none"> <li>• The Systems Accountant should periodically reconcile the HR Leavers report to the Integra report.</li> <li>• The Systems Accountant to run a report quarterly, listing all one-sided journals, for authorisation.</li> <li>• To ensure Integrity of the system, the issue of one-sided journals should be raised again with IB Solutions as part of Integra 4 rollout, with the aim that IB Solutions address the system generated error.</li> <li>• Capital Sums: 1. Financial Services should consider ways of improving liaison with Service Heads in order to identify/manage expected capital sums due. 2. Accountancy should consider adding to the capital sum schedule a column titled 'Capital sum received to date', to assist monitoring. 3. Accountancy should notify Financial Support of capital sums due via a schedule/e-mail, to ensure there is a clear documented record of the account code and other details, to assist monitoring.</li> </ul>
Energy Management	Substantial	No issues arising from Audit.

## 2.3 Audit Work in Progress

### 2.3.1 Choice Based Lettings

Monitored progress of implementation at Spelthorne and Elmbridge.

### 2.3.2 Committee/Civic, Performance Management, Elections and Parking

In progress

### 2.3.3 Creditor / Invoice testing

Audit testing in progress.

#### 2.3.4 **Independent Living**

Audit commenced under Surrey Heath lead.

#### 2.3.5 **Project Management**

Assignment sheet and Audit test programme prepared.

#### 2.3.6 **Planning**

Preparatory work undertaken.

#### 2.3.7 **Procurement**

The ACX (T.Collier) has provided updates on progress in implementing audit recommendations and procurement arrangements across the partnership are being reviewed.

#### 2.3.8 **Managed Audits**

Testing has commenced on the Cash and Bank and Creditors Audit to comply with external audit requirements.

#### 2.3.9 **Information Management**

Support provided to working group led by Surrey Heath.

#### 2.3.10 **Code of Corporate Governance**

Support provided for the review of the Code of Corporate Governance

#### 2.3.11 **Performance Indicators**

Audit reviewed data held for NI 015, but found errors in the reporting of performance for this area (Number of serious violent crimes per 1000 population) and could not verify the accuracy of source data to the PB Views system. External Audit have reported on this within their 'Use of Resources' findings (Sep 09) and have made a recommendation for the authority to review its data quality processes to ensure officers are appropriately supported.

### 2.4 **Other Work**

2.4.1 **Corporate Risk Management** – see separate risk report. Audit advises the Corporate Risk Management Group.

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

2.4.3 **Audit Partnership** – Research into partnership models, review of governance arrangements, co-ordination of work between authorities, review of plan following staff changes, joint team meetings / training and partnership documentation. Current joint work includes:

- Independent Living – Led by SHBC
- Information Management – Led by SHBC
- Waste – Led by EBC
- Partnership Governance – Led by EBC
- Performance Management – Led by EBC
- Procurement – Led by SBC

- IT audit – Led by SBC
- Parking – Led by SBC

In addition to these audits, teams have shared information on other completed reviews including use of consultants, revenues, elections, leisure and asset management.

Joint training has taken place on Access Database systems, fraud awareness, National Anti Fraud Network, auditee relationships, Regulatory Investigatory Powers Act and Police and Criminal Evidence Act.

As a result of a review of the partnership the following proposals have been made:

- **In order to strengthen governance arrangements the audit partnership should be formalised and supported by an appropriate collaborative agreement between Spelthorne, Elmbridge and Surrey Heath Borough Councils.**
- **Consideration should be given to establishing a ‘one team’ approach with delegation of the internal audit function to Spelthorne as lead authority. This would provide greater resilience and flexibility in staffing across the partnership, remove inefficiencies as a result of operating three separate teams with different structures, reporting lines and corporate requirements. For example it is currently necessary to operate three business plans, three budgets, three different appraisal / corporate training systems etc. This option would also provide more opportunity to expand the partnership in the future.**
- **At minimum, the current partnership arrangements/protocol needs to be reviewed and re-negotiated following changes to the structure and responsibilities at Surrey Heath.**
- **A Partnership Board should be formed consisting of the relevant directors/Section 151 officers and Head of Audit Partnership.**
- **Spelthorne’s Head of Audit’s title should be amended to ‘Head of Audit Partnership’ as the post holder is currently operating with three/four different titles.**
- **Any new staff should be appointed with contract conditions requiring them to work across the internal audit partnership.**

These proposals are currently under discussion.

2.4.4 **Advice** - Advice has been requested from all directorates on various risk and control issues including ‘Cloud computing’, park and phone payment methods/contractors, DVLA computer system controls, taxi/driver licence checking systems, HR system procurement, retention of documentation, collection of income at the car parks office and Parking Services outsourcing/partnering.

2.4.5 **Miscellaneous** – Meetings (one-to-ones, staff performance clinics/appraisals /team (SBC and joint)/ departmental/ SMN/ manager’s briefings, Assistant Chief

Executive), team management, training, liaison with external audit, budget monitoring, processing contract payment certificates, Service Planning, work planning, health and safety issues, completion of timesheets, updating audit recommendation database, Emergency Planning/Business Continuity, staff recruitment, Surrey Benchmarking and various other tasks.

#### **2.4.6 Budget task group**

Provided background information and attended the member budget task group. Made a number of suggestions for potential savings elsewhere in the organisation.

### **2.5 Special Investigations**

#### **2.5.1 Expense claims**

A small sample of expense claims were reviewed and verified as being valid and accurate. It was agreed with the ACX (T.Collier) that there is scope for the authority's policy on subsistence claims to be highlighted to all staff to raise general awareness, and to reinforce the requirement that claims should be made through Payroll and if possible invoiced in advance.

### **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 Completion of the Audit Plan demonstrates compliance with Local Government Act 1972 and Accounts and Audit Regulations.

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

8.1 Significant risks associated with individual audits are reported in this report. 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: 14 December 2009**

**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 don't 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, which can be found at [www.spelthorne.gov.uk/constitution\\_confidentialreporting.pdf](http://www.spelthorne.gov.uk/constitution_confidentialreporting.pdf)

You can also get independent, confidential advice from the charity Public Concern at Work on 0207 404 6609.

**WORK PROGRAMME 2009 – 2010**

**AUDIT COMMITTEE - 14 DECEMBER 2009**

**Resolution Required**

**1. Work Programme**

- 1.1 This report covers the Work Programme for the 2009/10 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 2009 -10 on the following date:-
  - 25 March 2010
- 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:

25 March 2010		
Annual Audit and Inspection Letter	External Audit and Audit Commission	
Audit Services Quarterly Report	Head of Audit Services	Report for period November 09 to Feb 10
Corporate Risk Register	Chief Finance Officer	Review
Corporate Risk Register ( <i>provisional</i> )	Head of Service - as appropriate	Updates on target dates missed
Anti Fraud and Corruption Policy	Assistant Chief Executive	Review
Annual Audit Plan	Head of Audit Services	Report
Committee's Work programme	Head of Audit Services/ Chief Finance Officer /Audit Committee	Report



**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 Services (01784) 446207**

**Report Author: Gillian Hobbs, Committee Manager (01784) 446405**