

## AUDIT COMMITTEE

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**DRAFT MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 17 APRIL 2019 AT KENNET ROOM - COUNTY HALL, BYTHESEA ROAD, TROWBRIDGE, BA14 8JN.**

**Present:**

Cllr Richard Britton (Chairman), Cllr Gavin Grant, Cllr Edward Kirk, Cllr Tony Jackson and Cllr John Walsh

**Also Present:**

Cllr Whitehead

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16 **Apologies**

Apologies were received from Cllrs Stuart Dobson, Ian Thorn, Mike Hewitt, Leo Randall and Andy Phillips.

17 **Minutes of the Previous Meeting**

**Decision**

**To approve the minutes of the meeting held on 6 February 2019.**

18 **Declarations of Interests**

There were no declarations of interest.

19 **Chairman's Announcements**

The Chairman welcomed Charlotte Wilson, SWAP, to the meeting.

The Chairman noted that the Chairman's briefing did not take place as intended and that communication would take place with officers before the next meeting.

20 **Public Participation**

There were no public in attendance or any questions received.

## 21 **Q4 IA Update and Year End Summary**

David Hill, SWAP, introduced the report informing the committee that SWAP had identified a significant risk, in this case an action plan had been agreed and monitoring of the implementation would continue; in other cases a no assurance and partial assurance had been identified, action plans were also in place and SWAP would continue to monitor their progress.

It was also noted that there were a number of outstanding recommendations which SWAP had been chasing with mixed response. A full list of the outstanding recommendations would be brought to the next meeting.

In response to questions SWAP informed the meeting that; SWAP were happy with their performance throughout the year; discussions were taking place on whether the 5 day reporting process should be increased to 10 days which was more realistic; some of the 18/19 projects would roll over into 19/20, those projects would be completed within the 18/19 budget and liaised with the S151 officer.

## 22 **Draft Internal Audit Plan**

The Draft Internal Audit Plan was briefly discussed. In response to questions asked, SWAP noted that they were currently carrying out a self-assessment against the Public Sector Internal Audit Standards. There is a requirement to undertake an assessment every five years to ensure conformance to these Standards, SWAP undertake a review every three years. Their next step would be to appoint an external assessor and the results would be available in November 2019.

## 23 **Report on 2018/19 Close Down and External Audit Plan Update**

Deloitte explained that there was a detailed close down plan and that all was on course to be completed in accordance with the statutory deadlines.

It was noted that the draft Annual Governance Statement would be brought to an extraordinary Audit Committee in June.

## 24 **Risk and Performance Policy Report**

Cllr Whitehead introduced the item noting that the report had already been agreed by Cabinet. Implementation of the policy was briefly discussed and the Chairman explained that it was the Audit Committees responsibility to have oversight of the policy's implementation and would like to see an update at the November committee meeting.

There was a discussion of the scoring of the organisation's reputational risk and its potential financial consequences and it was agreed to lower the risk level to 12.

At the end it was;

## **Resolved**

**To recommend that the reputational score level be lowered to 12.**

### 25 **Accounting Policies**

Becky Hellard, Interim Director of Finance and Procurement, introduced the item noting that two significant changes in accounting policies had taken place. Both changes related to the IFRS code of practice, which was the guidance used to create the statement of accounts.

As a response to questions asked it was noted that: All costs associated with asset disposal were fully accounted for; Community Infrastructure Levy (CIL) payments were issues on a six monthly basis, drew down within the same year and officers worked closely with the CIL team to understand the financial position and encouraged members to work with the local parishes to utilise the funds.

There had never been a call to use the general reserves, although an accounting technique was used to balance the statement of accounts, which involved using ear marked reserves and then repaying them at the start of the new financial year.

Deloitte confirmed that the Council was unable to separate the pension accounts from the councils accounts.

### 26 **Governance of Partnership Working**

Ian Gibbons, Director , Legal, Electoral & Registration Services & Monitoring Officer, introduced the report which proposed a framework for governing the council's partnership arrangements. The framework had a risk based approach which aligned with business priorities.

The Chairman welcomed the report.

It was noted that the recommendation should be reworded to 'To ask the Standards Committee to'.

### 27 **Draft Annual Governance Statement**

David Hill, SWAP, referred to the presentation slides included with the agenda and explained the new approach being taken to prepare the Annual Governance Statement. The approach involved reviewing the Local Code of Corporate Governance quarterly.

28 **Local Code of Corporate Governance**

It was noted that the revised draft suggested that quarterly reviews of the Local Code of Governance should take place and a member of the Audit Committee was invited to join. The Chairman agreed to email all of the committee members after the meeting due to some members being absent.

29 **Anti-Fraud, Theft and Bribery & Anti-Money Laundering**

Becky Hellard, Interim Director Finance & Procurement, presented the revised policies and strategy, noting that detailed action plans would be presented at the next meeting.

29 **Anti-Fraud, Theft and Bribery Policy**

A question was raised on the recognition and reward for whistle blowers and it was noted that mandatory training took place during employee inductions and the annual governance statement reviewed its effectiveness, more of a concern was the challenge of creating an organisational culture where employees were more aware of each other. It was also noted that, the Council had access to third party records as it was written into standard contract arrangements.

29 **Anti-Fraud, Theft and Bribery Strategy 2019-2022**

The Chairman thanked officers for the revised strategy and suggested some word changes.

29 **Anti-Money Laundering Policy**

The Chairman requested that the definition of money laundering be brought forward so it would be earlier in the policy.

30 **Finance Director Recruitment Update**

There was no update.

31 **Forward Work Programme**

The forward work plan would be updated and circulated.

32 **Date of Next Meeting**

The next meeting would be an extraordinary meeting to review a draft of the Annual Governance Statement and would be confirmed as soon as possible.

33 **Urgent Items**

There were no urgent items.

(Duration of meeting: 10.00 am - 12.30 pm)

The Officer who has produced these minutes is Jessica Croman, of Democratic Services, direct line 01225 718262, e-mail [jessica.croman@wiltshire.gov.uk](mailto:jessica.croman@wiltshire.gov.uk)

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