

AUDIT COMMITTEE

Minutes of a meeting of the Audit Committee held on Tuesday, 1 October 2019 at 6.00 pm in Meeting Rooms G3/G4, Addenbrooke House, Ironmasters Way, Telford, TF3 4NT

Present: Councillors C F Smith (Vice-Chair), N A M England, V J Holt, A Lawrence and W L Tomlinson

In Attendance:

Apologies: Councillors K S Sahota

AU25 Appointment of Chair

RESOLVED – that Councillor Nathan England be appointment as Chair for the remained of the 2019/20 municipal year.

AU26 Declarations of Interest

None.

AU27 Minutes of the Previous Meeting

RESOLVED – that the minutes of the meeting the Audit Committee held on 23 July 2019 be agreed and signed by the Chair.

AU28 Audit Findings

Grant Thornton, External Auditors, gave a brief update on the Audit Findings report which presented the observations arising from the Audit. This included the conclusion to the work on revaluation of property, plant and equipment which had not been revalued in year and some transactions relating to NuPlace. Additional management representations were awaited before they were in a position to sign off the opinion.

During the debate some Members asked for clarification with regard to the sign-off deadline.

Grant Thornton confirmed that the sign off date was 31 July 2019, but that due to recent changes some Audits had not commenced until August. Although the Audit Opinion was overdue and sufficient assurance had been ascertained to issue the opinion it was acknowledged it was past the deadline.

AU29 Update Report on the Work of Internal Audit

The Principal Auditor presented the report which gave on overview of progress made against the Annual Audit Plan. There had been no changes to the plan between the period 1 July 2019 and 6 September 2019.

A total of four reports had been issues within the reporting period Newport Pool (Amber), Syrian Refugee (Yellow), Horsehay Golf Centre (Yellow) and Benefits (Green). Progress had been made with regard to Direct Payments which had moved to Yellow. Further testing to take place with a fuller Audit in January 2020.

No unplanned work had been undertaken during the reporting period although an audit had taken place at Oakengates Town Council as part of a three year agreement with them.

Internal Audit maintained a quality Assurance and Improvement Programme in order to comply with Public Sector Internal Audit Standards (PSIAS) which ran alongside the quality review process. The Team Leader undertook monthly independent checks to ensure that they complied with requirements of the PSIAS, the Rules of the Code of Ethics, Internal Audit processes and procedures and the approved Internal Audit Charter. Only one minor issue had been found from these checks and this had been fed back to aid continuous improvement in the service.

During the discussion, some Members were pleased that follow ups took place and that Members could see this being monitored.

RESOLVED – that the report be noted.

AU30 Public Sector Internal Audit Standards - Self Assessment

The Audit & Governance Team Leader presented the report on Public Sector Internal Audit Standards (PSIAS) self-assessment which had now been completed. The assessment demonstrated that Internal Audit fully complied with 69% and partially complied with 31% of the standards set. An action plan had been drawn up to ensure that requirements were fully complied with in the future.

During the discussion some Members were pleased to note the internal checks and asked if Member checks were due and if they also needed an external check.

The Audit & Governance Team Leader confirmed to Members that an external check was undertaken once every 5 years and that the next check was due in 2021/22.

RESOLVED – that the contents of the self-assessment be noted.

AU31 Speak Up/Whistleblowing Policy

The Audit & Governance Team Leader presented a brief overview of the Speak Up (Whistle Blowing) Policy 2019 which was reviewed and approved every 2 years. Members were asked to note that the reporting channels had

been updated to provide easier reporting methods which now included a confidential internet friendly referral form to allow anonymous referrals to be made.

During the discussions, some Members asked if they had been able to test the system by a referral being made, if antifraud and corruption information was reported and if the Council undertook benchmarking. Other Members asked who decided if referrals were malicious or vexatious and how the updated Policy was communicated to staff.

The Audit & Governance Team Leader confirmed that limited referrals were received even though more channels of reporting were now available, but as there were less Red and Amber reports it was felt that the Council had strong governance and straightforward fraud and prevention controls. It was the Council's policy to report on antifraud and corruption and that the policy was shared within the West Midlands Fraud Group and it was comparable with other policy documents within the Group. With regard to vexatious or malicious referrals, this had yet to be tested although procedures were in place with the Customer Relationship Team, the Freedom of Information (FOI) process and good practice and that the Assistant Director Governance, Procurement & Commissioning and the Governance & Legal Services Delivery Manager made any decisions on such complaints. Once the updated Policy had been agreed, an online Ollie course would be available and this would be communicated in the Staff News, Managers briefings and on flyers/posters in order to have a dynamic approach to promoting the new Policy.

RESOLVED – that the adoption of the Speak Up (Whistleblowing) Policy 2019 be approved.

The meeting ended at 6.23 pm

Chairman:

Date: Tuesday, 28 January 2020