

Swindon Borough Council

Audit Committee

Tuesday, 16 June 2015

Committee Room 6, Civic Offices

At 6.00 p.m.

Conservative Councillors

Steve Weisinger
(Chair)
Oliver Donachie
Mark Edwards
Nick Martin
Maureen Penny

Labour Councillors

Steve Allsopp
Des Moffatt
Kevin Small

Committee Officer: Steve Jones (01793 463602)

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Access Arrangements - The venue is wheelchair accessible and an infrared receiver hearing system is provided. If you have any special requirements to enable you to attend the meeting or would like to receive any of the pages contained in this agenda in a larger print size, please contact the Committee Officer as soon as possible prior to the date of the meeting.

AGENDA

1. Apologies for Absence

2. Appointment of Vice-Chair

3. Declarations of Interest

Members are requested at the start of the meeting to declare any known interests in any matter to be considered, and are reminded that any such interest should also be declared at the start of an item or during any discussion of the matter concerned.

4. Public Question Time

See explanatory note below. Please phone the Committee Officer whose name and number appears at the top of this agenda if you need further guidance).

5. Minutes (Pages 5 - 8)

To receive the minutes of the meeting held on 21 April 2015.

6. **Internal Audit reports identifying 'significant' risk or 'of concern': Isambard School HIA** (Pages 9 - 44)
7. **Treasury Management - Annual Report BDR** (Pages 45 - 60)
8. **Draft Annual Statement of Accounts 2014/15 BDR** (Pages 61 - 64)
9. **Internal Audit reports identifying 'significant' risk or 'of concern': Corporate Buildings: Statutory Compliance HIA** (Pages 65 - 110)
10. **Audit Committee: Annual Report 2014/15 HIA** (Pages 111 - 116)
11. **Audit Committee: Terms of Reference and Work Plan HIA** (Pages 117 - 124)
12. **Head of Internal Audit Annual Report HIA** (Pages 125 - 144)
13. **DRAFT Annual Governance Statement HIA** (Pages 145 - 162)
14. **External Audit Reports** (Pages 163 - 192)
 - a) Audit Plan 2014-15
 - b) Audit Committee Update
15. **Internal Audit: Strategic Fraud Update HIA** (Pages 193 - 208)
16. **Head of Internal Audit Update HIA** (Pages 209 - 218)

Date of Despatch: 08 June 2015

Key:

Officers:

BDR	-	Board Director Resources (Section 151 Officer)
HIA	-	Head of Internal Audit

Public Question Time - Swindon Borough Council remains committed to increasing its accountability to the public and to promoting active citizenship. 15 minutes will be allowed at the start of all Council meetings for questions to the Chair from the public about the work of the Committee (except for confidential matters, and matters relating to planning and licensing applications). We will give priority to those who submit questions in writing at least two days before the meeting. Questions must be relevant, clear, and concise. You may not use Public Question Time as an opportunity to make speeches or statements.

Questions in writing should be sent to the Committee Officer whose contact details appear on the agenda above or to the Director of Law and Democratic Services, we will publish it, along with the answer, alongside the Minutes. The process associated with asking a public question is set out in the "Public Question Time at Council Meetings Protocol and Guidance" available on the Council's Website.

(<http://www5.swindon.gov.uk/moderngov/ecCatDisplay.aspx?sch=doc&cat=13338&path=0>) or from the Committee Officer named above.

The Audit Committee - Terms of Reference

(the complete terms of reference for the Audit Committee are set out in Minute 9 of the meeting of the Audit Sub-Committee held on 15 July 2014.)

The Audit Committee is a key component of Swindon Borough Council's corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

The purpose of the audit committee is to provide to those charged with governance, independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance process. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

The core functions of the Audit Committee are to:

- Be satisfied that the authority's assurance statements, including the Annual Governance Statement, properly reflect the risk environment and any actions required to improve it, and demonstrate how governance supports the achievement of the authority's objectives.
- In relation to the authority's internal audit functions:
 - Oversee its independence, objectivity, performance and professionalism
 - Support the effectiveness of the internal audit process
 - Promote the effective use of internal audit within the assurance framework
- Consider the effectiveness of the control environment, including arrangements for ensuring value for money and for managing the authority's exposure to the risk of fraud and corruption.
- Consider the reports and recommendations of external audit and inspection agencies and their implications for governance, risk management or control.
- Support effective relationships between external audit and internal audit, inspection agencies and other relevant bodies, and encourage the active promotion of the value of the audit process.
- Review the financial statements, external auditor's opinion and reports to Members, and monitor management action in response to the issues raised by external audit.
- Reviewing and monitoring treasury management arrangements in accordance with the CIPFA Treasury Management Code of Practice.