

AUDIT COMMITTEE

TUESDAY, 20 NOVEMBER 2012

PRESENT:- Councillors Michael Dickinson (Chair), Des Moffatt (Vice-Chair), Steve Allsopp, Brian Ford, Mary Friend and Neil Heavens

An apology for absence was received from Councillor Nick Martin.

22. Declarations of Interest

The Chair reminded Members of the need to declare any known interests in any matters to be considered at the meeting.

23. Public Question Time

No questions were asked under Standing Order 28.

24. Minutes

Resolved - That the minutes of the meeting held on 18th September 2012 be confirmed and signed.

The Chair advised the meeting that, due to another commitment he would be unable to attend the meeting scheduled for 5th February 2013. He proposed, and the Committee agreed, that this meeting be put back by one week, to convene on 12th February 2013.

25. Chair's Announcements

The Chair advised the meeting that, due to another commitment, he would be unable to attend the meeting scheduled for 5th February 2013. He proposed, and the Committee agreed, that this meeting be put back by one week, to be convened on 12th February 2013.

26. Internal Audit reports identifying 'significant' risk or 'of concern': Health and Safety / Corporate Manslaughter

The Committee received a report on the latest position regarding the implementation of Internal Audit recommendations arising from the audit review of the Council's Corporate Manslaughter responsibilities and the follow-up audit review which was completed in October 2012. It was noted that previous internal audits on the Council's Health and Safety governance arrangements had identified fundamental weaknesses, categorising these as being of potential significant risk to the Council, and that the risk had also been identified in the Council's Annual Governance Statement for the past three financial years.

The Head of Internal Audit introduced the report, advising that, whilst progress in implementing agreed audit recommendations had been found to be minimal under the management structure prior to Stronger Together, under the new structure responsibility for the implementation of the audit recommendations had fallen to the Head of Business Services and Support and the Operational Risk Manager (Health

and Safety) within Service Delivery who had made significant progress in implementing the high priority audit recommendations. It was noted that, although the audit was still “of concern”, this was solely because procedures remained to be fully embedded. The Head of Internal Audit was very pleased at the level of progress to date and commended the efforts and achievements of the responsible officers.

The Council’s Head of Business Services and Support and the Operational Risk Manager (Health and Safety) within Service Delivery were in attendance to provide a current position statement and to respond to members’ questions on issues raised by the follow-up review, the management response to the audit conclusions and key recommendations, and progress in implementing the action plans. The following issues were raised by members:

- the timescale for the further internal audit review to determine the effectiveness of the new processes
- the composition of the Practitioner Forum
- the officer ownership of the identified risk associated with community buildings managed by community trusts or groups
- the recording of “near misses, the culture for risk evaluation and the awareness and appropriate mitigation of risk and the timetable for the embedding of processes

Resolved – (1) That the report be noted.

(2) That this Committee commends the Head of Business Services and Support and the Operational Risk Manager (Health and Safety) within Service Delivery for their efforts and achievements in attaining the level of progress reported to the meeting.

(3) That a further progress report on the implementation of the audit recommendations, particularly in relation to the embedding and effectiveness of new processes, be submitted to the Committee later in the year.

27. Corporate Risk Management Update

The Committee received a summary report on Risk Management activity within Swindon Borough Council, including the latest Corporate Risk Register together with the draft revised Risk Management Strategy.

The Council’s Head of Performance and Risk was in attendance and responded to members’ questions and observation on the following issues:

- the reducing number of insurance claims against the Council in recent years and the projection for the current financial year
- the origins, composition and terms of reference of the Adult Safeguarding Board
- the continuing significant risk in relation to the safeguarding of vulnerable adults and children
- key roles and responsibilities and the relationship between Internal Audit and the Audit Committee
- the relationship between and the Corporate Risk Register and the more detailed departmental and partnership risk registers
- the emerging risks for staff interacting with persons detrimentally affected by

the Government's welfare and housing benefit reform programme

It was agreed that information requested by members during the course of the Committee's consideration of this item be forwarded to members via the Committee Clerk.

Resolved – (1) That the report be noted.

(2) That the "highest level" risk register for adult social care be made available to members for consideration.

28. Internal Audit review: Strategic Fraud Update

The Committee received a report of the Head of Internal Audit providing a strategic fraud update, detailing current developments, initiatives and issues pertaining to fraud and fraud prevention and detection. The report referred to the National Fraud Authority's (NFA) estimated fraud against the public sector of some £20.3 billion, with fraud against local government costing more than £2.2 billion each year, and detailed the Internal Audit response in tackling fraud risks identified in the NFA's national strategy for tackling fraud against local government and also in response to findings of the Audit Commission's National Fraud Initiative regarding high level fraud areas and emerging fraud risks.

Resolved – That the report be noted.

29. Internal Audit: Benchmarking

The Committee received a report of the Head of Internal Audit providing a summary of the 2012 benchmarking exercise carried out by CIPFA with regard to the Council's Internal Audit service.

Resolved – That the report be noted.

30. Head of Internal Audit Update

The Committee received a report of the Head of Internal Audit summarising the main issues arising from the Internal Audit reports finalised since the last Audit Committee meeting in September 2012 and progress made against the Annual Internal Audit Plan.

Resolved – (1) That the report be noted.

(2) That the Chair liaise with the Head of Internal Audit to determine which finalised audit reports, categorised "of concern", should be submitted to the next meeting of the Committee for consideration.