

# Audit & Governance Committee

## Welcome...

Welcome to the Audit & Governance Committee Bulletin.

The purpose of this bulletin is to keep Members and officers up to date with local and national issues relevant to the Audit & Governance Committee.

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## Update from previous Audit & Governance Committee meetings

Recommendations Tracker (A1/16)	At its meeting on 11 April 2016 the Committee considered - (Audit findings Surrey Choices- Business Plan) on the recommendation tracker (A1/16) - and agreed that the Chairman would write a letter to the Chairman on the Council Overview Board setting out concerns. This letter was sent on 19 April 2016 and copied to the Cabinet Member.
2016/17 Internal Audit Plan	The 2016/17 Internal Audit Plan was approved by the Audit and Governance Committee on 11 April 2016. The Internal Audit team will discuss the scope and timing of specific audit reviews within the plan with relevant senior officers as part of regular service liaison meetings.

# Internal Audit update

<p><b>Current Audits</b></p>	<p>The following audits are currently in progress or at the planning stage:</p> <ul style="list-style-type: none"> <li>• Community Infrastructure Levy (CIL)</li> <li>• Parking</li> <li>• Social Media</li> <li>• Premises Security</li> <li>• LiquidLogic (AIS replacement)</li> <li>• Home-based (Domiciliary) Care</li> <li>• Surrey Arts follow-up</li> <li>• Special Educational Needs and Disabilities (SEND) 2020</li> </ul> <p>Members are encouraged to contact the Chief Internal Auditor (sue.lewry-jones@surreycc.gov.uk) if they have insight they wish to contribute to the above audit reviews.</p>
<p><b>Orbis Partnership</b></p>	<p>We held our second joint Internal Audit team awayday in April, when the SCC Internal Audit team got together with audit colleagues from East Sussex County Council and Brighton and Hove City Council to hear more about our plans to converge. The Internal Audit model for Orbis is based on growth. SCC Internal Audit currently provide audit services for Elmbridge and Spelthorne Borough Councils and we will look to increase our customer base as the Orbis partnership develops.</p> <p>As part of our Orbis awayday the teams looked at three of the key workstreams, Joint Working; Process Integration; and, Branding and Presentation. We will continue to progress this work over the coming months, engaging with key stakeholders, including the Audit and Governance Committee as appropriate.</p>
<p><b>Counter Fraud Work</b></p>	<p><u>Surrey Counter Fraud Partnership</u> - SCC Internal Audit has been working with a number of borough and district partners to tackle public sector fraud across Surrey. Recent achievements include:</p> <ul style="list-style-type: none"> <li>• Over 30 properties have now been recovered allowing reallocation to families in genuine need.</li> <li>• 22 property allocations have been prevented on the basis that the applicants were not eligible or had lied to enhance their application.</li> <li>• 9 homeless applications have been rejected on the grounds that the applicants were not in genuine need or had lied on the application.</li> <li>• 25 Right-to-Buy applications have been rejected on the grounds that applicants were not entitled to the discount or had lied on the application. This has also resulted in the tenancy being recovered in a number of these cases.</li> <li>• The partnership has recently piloted a key amnesty in the Reigate &amp; Banstead area that has resulted in two properties returned and a number of referrals for further investigation including 2 for subletting.</li> <li>• The partnership will be launching another awareness campaign later this year that will feature on bus shelters across a number of key areas.</li> <li>• Partners now have access to commercial property data to provide intelligence to target business rates avoidance.</li> </ul> <p>The savings to the public purse arising from the work of the Surrey Counter Fraud Partnership since its formation (January 2015) are now estimated to be £3.7m, including over £500k for business rates.</p>

<b>Staffing News</b>	<p>We are sorry to say farewell to Claire Hancock, Auditor, who leaves at the end of April to take up a work opportunity outside the council. Claire has recently worked on audits of Member Allocations and the School Improvement Programme.</p> <p>We are pleased to welcome Tim Semken who joins the team in May as a Lead Auditor. Tim joins us from Guy's &amp; St Thomas' NHS Foundation Trust, where he worked as a Senior Auditor.</p>
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## Further information

<a href="#">NAO calls on government to clarify its devolution vision</a>  <b>20 April 2016</b>	<p>The National Audit Office has called on ministers to set out more details on how devolution in England can be implemented amid increasing risks to the financial sustainability of local public services.</p>
<a href="#">Cost of collecting minimum council tax 'disproportionate', authorities tell review</a>  <b>15 April 2016</b>	<p>The cost of collecting minimum council tax payments from low-income families is "disproportionate" to the amount being chased, local authorities have told a government-commissioned review into council tax support.</p>
<a href="#">Councils share in £50m pothole fund</a>  <b>7 April 2016</b>	<p>Over 100 councils in England will receive funding from the Department for Transport, in the first year of a four-year £250m scheme intended to fix over 4 million potholes by 2020/21.</p>
<a href="#">CIPFA Local Government Conference 2016</a>	<p>Date: 25 May 2016  Starts: 10:00 - Ends: 15:45  Location: RBS, 280 Bishopsgate, London, EC2M 4RB</p>
<a href="#">European Parliament approves new General Data Protection Regulation rules</a>  <b>15 April 2016</b>	<p>The reform will replace the current data protection directive, dating back to 1995. Member states will have two years to transpose the provisions of the directive into national law. Due to UK and Ireland's special status regarding justice and home affairs legislation, the directive's provisions will only apply in these countries to a limited extent.</p>
<a href="#">HMRC still not doing enough to tackle tax fraud, say MPs</a>  <b>15 April 2016</b>	<p>Members of the Public Accounts Committee (PAC) said taxpayers were missing out on £16bn a year, as a result of evasion and criminal activity.</p>
<a href="#">IT practitioners urge councils to review info governance ahead of law changes</a>  <b>5 April 2016</b>	<p>A group representing IT practitioners in the public sector has urged councils to review their information governance arrangements ahead of impending changes to data protection and online privacy laws.</p>

## Updates from other Committees

Listed below are a number of committee reports that may be of interest to the Committee, as they cross into the Committee's remit or they relate to matters recently discussed at Audit & Governance Committee, or that the Committee have shown an interest in:

Cabinet	<p>At its meeting on <a href="#">2 February 2016</a>, the Cabinet considered the following reports:</p> <ul style="list-style-type: none"> <li>• Revenue and Capital Budget 2016/17 to 2020/2</li> <li>• Finance and Budget Monitoring Report - December 2015</li> <li>• Kier Contract Extension and Variation</li> <li>• Orbis Public Law: Establishment of Shared Legal Service</li> </ul> <p>At its meeting on <a href="#">23 February 2016</a>, the Cabinet considered the following reports:</p> <ul style="list-style-type: none"> <li>• Finance and Budget Monitoring Report - January 2016</li> <li>• Leadership Risk Register</li> <li>• Contract Award for the Refresh of Desktop and Laptop Devices for Surrey County Council</li> <li>• Procurement of a Children and Young People's Occupational Therapy Service</li> </ul> <p>At its meeting on <a href="#">22 March 2016</a>, the Cabinet considered the following reports:</p> <ul style="list-style-type: none"> <li>• Medium Term Financial Plan 2016 – 2021</li> <li>• Finance and Budget Monitoring Report for February 2016</li> <li>• Consultation on a revised Charging Policy for Adult Social Care</li> </ul>
Council Overview Board	<p>At its meeting on <a href="#">2 March 2016</a>, the Council Overview Board agreed to set up a TFG to review the Council's trust funds. Recommendations for Cabinet were expected in the Summer of 2016.</p> <p>At its meeting on <a href="#">13 April 2016</a> it also considered the following:</p> <ul style="list-style-type: none"> <li>• Budget Scrutiny</li> <li>• Leadership Risk Register Report</li> </ul>
Health & Wellbeing Board	<p>At its meeting on <a href="#">10 March 2016</a>, the Health &amp; Wellbeing Board considered the following report:</p> <ul style="list-style-type: none"> <li>• Surrey County Council and Clinical Commissioning Group Financial Challenges Summary</li> </ul> <p>At its meeting on <a href="#">7 April 2016</a>, it also considered an update on progress in implementing the Better Care Fund plan 2015/16.</p>
Resident Experience Board	<p>At its meeting on <a href="#">17 March 2016</a>, the Resident Experience Board considered the following Part 2 report:</p> <ul style="list-style-type: none"> <li>• Surrey County Council's Library Service and the Development of a Future Strategy</li> </ul>
Education and Skills Board	<p>At its meeting on <a href="#">24 March 2016</a>, the Education and Skills Board considered the following reports:</p> <ul style="list-style-type: none"> <li>• SEND Transport</li> <li>• SEND Finances (Part 2 report)</li> </ul>
Economic Prosperity, Environment and Highways Board	<p>At its meeting on <a href="#">10 March 2016</a>, the Economic Prosperity, Environment and Highways Board considered the following report:</p> <ul style="list-style-type: none"> <li>• Surrey Infrastructure Study</li> </ul>

Surrey Pension Fund Committee	<p>At its meeting on <a href="#">12 February 2016</a>, the Surrey Pension Fund Committee considered the following reports:</p> <ul style="list-style-type: none"> <li>• Manager Issues and Investment Performance</li> <li>• Key Performance Indicators and Administration Update</li> <li>• Revised Statement of Investment Principles</li> <li>• Pension Fund Risk Register</li> </ul> <p>At its meeting on <a href="#">25 February 2016</a>, the Surrey Pension Fund Committee considered the following reports:</p> <ul style="list-style-type: none"> <li>• Actuarial Assumptions: 2016 Valuation</li> <li>• Investment Consultant Interviews</li> </ul>
Surrey Local Pension Board	<p>At its meeting on <a href="#">9 March 2016</a>, the Surrey Local Pension Board considered the following reports:</p> <ul style="list-style-type: none"> <li>• Key Performance Indicators and Administration</li> <li>• Surrey Pension Fund: Disaster Recovery Procedures</li> <li>• Counsel Opinion on the Legal Status of Pension Boards</li> </ul>

## Upcoming

The next meeting of the Audit & Governance Committee is on 26 May 2016. The following items are on the agenda:

- Completed Internal Audit Reports
- Annual Internal Audit Report
- Full Year Summary of Internal Audit Irregularity and Special Investigations
- Annual Risk Management Report
- Code of Corporate Governance
- Annual Governance Statement
- Whistle blowing Update

## Committee Contacts

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