

**Minutes of a Meeting of the  
Performance and Audit Scrutiny  
Committee - Audit Meeting held at  
Surrey Heath House on 28 January  
2015**

---

+ Cllr John May (Chairman)  
+ Cllr David Allen (Vice Chairman)

+ Cllr Tim Dodds	- Cllr Joanne Potter
+ Cllr Alastair Graham	+ Cllr Wynne Price
+ Cllr Beverley Harding	+ Cllr Audrey Roxburgh
- Cllr Edward Hawkins	+ Cllr Pat Tedder
+ Cllr Paul Ilnicki	- Cllr Alan Whittart
- Cllr Lexie Kemp	+ Cllr John Winterton
- Cllr Chris Pitt	

+ Present  
- Apologies for absence presented

Substitutes:

Councillor Ian Sams, substituting for Councillor Lexie Kemp.  
Councillor Rodney Bates, substituting for Councillor Alan Whittart.

In Attendance: Andrew Crawford, Sarah Groom, Karen Limmer, Kelvin Menon and Alex Middleton.

**37/P Chairman's Announcements**

The Chairman welcomed Members to the meeting and reminded them that the previous audit minutes, from 23 July 2014 had been held till this, the first subsequent Audit meeting.

**38/P Minutes**

The minutes of the Audit meeting of the Committee, held on 23 July 2014, were agreed and signed by the Chairman.

**39/P 2015/16 Annual Plan for the Internal Audit Service**

The Senior Auditor, Alex Middleton, presented a report proposing work programme to cover the municipal year 2015/16. The plan, based on the 3 year medium term Strategic Audit Plan, agreed at a previous meeting, allocated 522 days of work, utilising 2 full time auditors, 80 days of which would be allocated to work required by the Council's external auditors, KPMG.

A number of more critical areas were audited each year, with others being covered on a rolling programme and a contingency kept for issues that arise outside the elements of the Plan.

Progress against the plan and performance of the Audit Team were monitored in the course of the year and any major changes would be discussed and agreed in advance by the Executive Head of Finance and/or the Committee Chairman. Any significant risks or issues identified would be reported to the Committee and senior management, plus the Corporate Risk Management Group.

The Senior Auditor, in response to Member queries, confirmed that the number of days allocated was based on the risk and complexity, but also on the experience of the auditors in those areas, an example being Treasury Management which, whilst being examined yearly had a substantial level of assurance and required less days as a result.

In the previous year, between 15 and 20 audit reports had been issued with 60 to 70 recommendations issued in medium or high risk areas. Of these, only 3 recommendations had yet to be fully implemented and it was anticipated that this would be achieved before a report was submitted to the next meeting of this Committee.

**Resolved, that the Annual Audit Plan for 2015/16 be noted and agreed.**

Chairman