

**MINUTES AND REPORT OF THE AUDIT COMMITTEE
HELD ON THE 24 JANUARY 2019**

- * Councillor Bolton – Chairman
- * Councillor Pinches – Vice Chairman
- * Councillor Noyce
- * Councillor Wainwright
- * Councillor Follows

* Present # Absent & No Apology Received 0 Apology for Absence L Late

319. MINUTES

The Minutes of the Meeting held on 20 September 2018 were signed by the Chairman as a correct record.

320. APOLOGIES FOR ABSENCE

Apologies for absence were received and recorded as above.

321. PETITIONS/STATEMENTS/QUESTIONS FROM MEMBERS OF THE PUBLIC

No petitions/statements/questions had been received from members of the public in accordance with Standing Order No 5.

322. DISCLOSABLE PECUNIARY INTERESTS AND NON-PECUNIARY INTERESTS

Members made no declarations of interest in relation to any item on the agenda for this meeting, which is required to be disclosed by the Localism Act 2011 and the Godalming Members' Code of Conduct.

323. WORK PROGRAMME

Members considered the Committee's Work Programme and noted progress on the items therein (attached to record minutes).

324. BANK RECONCILIATION

The Responsible Finance Officer tabled the current Bank Reconciliation for the information of Members.

Members agreed that the Chairman should sign the bank reconciliations tabled.

Current account balance as at 31 December 2018	£26,102.63
Deposit account balance as at 31 December 2018	£634,209.85

325. INTERNAL AUDITOR'S REPORT

Members considered the report from the Council's Internal Auditor, Mulberry & Co, on an interim internal audit conducted on 9 November 2018 for the 2018/19 financial year. Members responses to issues raised are as follows:

Matter Arising	Recommendation	Council Response
The external audit opinion should be reported to the next available Full Council meeting.	It has only be reported to committee at present.	Noted – External Auditors Opinion was reported to Full Council on 10 January 2019, Min 313-18
I have one observation, money cover is too low at £250k, Godalming TC cash at bank is higher than this.	The insurer should be contacted and money cover reviewed.	Insurers do not provide cover for bank balances. The Money Cover in our policy covers cheques, and the £250k is the maximum amount they will insure for a single incident.
There is no money cover in the Museum insurance policy at present.	Cash and money cover on the Museum insurance policy should be reviewed.	Have contacted the Museum insurers. They have provided £1,000 cash cover for a cost of £84. They cannot provide any higher cover unless the Museum have a safe on their premises.

The Internal Auditors report and the Audit Committee's recommended responses to matters arising to be onward recommended to Full Council.

326. REVIEW OF RISK ASSESSMENT – ENVIRONMENT

Members considered the risk assessment on Environment. Members agreed to add to the Work Programme the development of a Sustainability Policy to explore all environmental opportunities.

327. REVIEW OF RISK ASSESSMENT – HEALTH & SAFETY

Members considered the risk assessment on Health & Safety. Members noted that workplace assessments and manual handling training was needed for all staff.

328. REVIEW OF RISK ASSESSMENT – LEGAL

Members considered the risk assessment on Legal.

329. REVIEW OF RISK ASSESSMENT – PHYSICAL & INFORMATION SECURITY

Members considered the risk assessment on Physical Security and noted that it had been updated to include Information Security as they logically work together.

Councillors Follows and Wainwright noted that additional information about our IT provider's data security was required and that they would provide the Responsible Finance Officer with a list of issues that need to be addressed.

Members considered a crime and cyber insurance proposal, but concluded that it was not required at this point in time but could be reviewed again in the future.

330. REVIEW OF RISK ASSESSMENT – REPUTATION

Members considered the risk assessment on Reputation.

331. REVIEW OF RISK ASSESSMENT – FINANCIAL

Members considered the risk assessment on Financial.

332. REVIEW OF BUSINESS CONTINUITY PLAN

Members reviewed the Business Continuity Plan and noted the addition of the sections on Objectives, Communication and Continuity of Council Functions.

Members also noted that on 4 January 2018, the RFO tested the back-up system and that no issues were identified.

Members agreed to add to the Audit work programme that a complete risk assessment on Business Continuity be performed.

333. RISK MANAGEMENT STRATEGY

Members considered and approved the Risk Management Strategy. Members resolved to agree to recommend the Risk Management Strategy for adoption by the Full Council.

334. BUDGETARY CONTROLS

Members considered the updated report on budgetary controls.

335. COMMUNICATIONS ARISING FROM THIS MEETING

Members did not identify any matters to be publicised.

336. DATE OF NEXT MEETING

The next meeting of the Audit Committee is scheduled to be held on Thursday, 18 April 2019 at 6.30pm in the Council Chamber.

337. ANNOUNCEMENTS

There were no announcements.