

Audit Committee Minutes

Minutes of the meeting of the Audit Committee of Wyre Borough Council held on Tuesday 10 November, 2015 at the Civic Centre, Poulton-le-Fylde.

Audit Committee members present:

Councillor R Amos	Councillor Jones
Councillor Barrowclough	Councillor McKay
Councillor Fail	Councillor A Turner
Councillor Ingham	

Apologies: Councillors E Anderton, Ballard, Collinson, Greenhough, Holden, Moon and Wilson.

Officers present:

P Davies – Corporate Director of Resources and Section 151 Officer
J Billington – Head of Governance
K McLellan – Senior Auditor
C Leary – Democratic Services Officer

Non-members present: Councillor I Amos and J Burrows – Audit Senior Manager of KPMG.

Members of the public present: None.

Audit. 29 WELCOME AND APOLOGIES OF ABSENCE

The Chairman welcomed everyone to the meeting of the Audit Committee.

Apologies as detailed above.

Audit. 30 DECLARATIONS OF INTEREST

None.

Audit. 31 CONFIRMATION OF MINUTES

The minutes of the Audit Committee meeting held on Tuesday 22 September 2015 were confirmed as a correct record.

Audit. 32 REVIEW OF AUDIT COMMITTEE'S PERFORMANCE

The Head of Governance explained, that the purpose of the report was to consider CIPFA's Self-Assessment of Good Practice, contained within the CIPFA publication "Audit Committees: Practical Guidance for Local Authorities and Police 2013" and to identify those actions necessary to meet best practice

guidance, ensuring the Audit Committee provides value to the authority.

The actions were noted and included a future one-to-one assessment with the Chairman and a request for feedback from the External Auditor. Jillian confirmed that as an Audit Committee the coverage is what they as auditors would expect to see. Whilst training and briefings for Audit Committee Members can always be improved, the opportunity to discuss relevant issues and challenge, should always be taken.

The Senior Management restructure, effective 1 July 2016 and the committee's relationship with the new S151 Officer and the Service Directors, were suggested areas for future consideration/focus.

The Head of Governance circulated a questionnaire for each Member of the committee to complete by 1 December 2015. The questionnaire sought to gather evidence of member's knowledge and experience. Members were encouraged to make a note of their own observations and identify any actions or learning opportunities which would be beneficial to the group.

RESOLVED: that CIPFA's Self-Assessment of Good Practice contained within the report, and those areas where further improvement is considered beneficial, be noted and agreed.

Audit. 33 INTERNAL AUDIT AND RISK MANAGEMENT – PROGRESS REPORT

The Head of Governance introduced the report, which reviews progress in relation to Internal Audit and Risk Management and considered progress against the action plan, resulting from the 2014/15 Annual Governance Statement.

The Head of Governance took members through audit work performed from May to October 2015. Members asked for clarification of the priority rankings and discussed the overall audit opinion and the summary of each report. The Head of Built Environment was asked to attend the next meeting of the Audit Committee in March 2016, to discuss progress in relation to the Building Maintenance audit, rated 'fair'.

The Head of Governance referred to two Wyre Council reports missing from the section at the top of page 21, namely Council Tax Debt Recovery and Localised Council Tax Support and confirmed that to date, there had been no Whistleblowing calls. Members attention was drawn to those elected Members who had not completed "The FOCUS on Information Security eLearning Test" and Councillor Barrowclough and Cllr A Turner kindly offered to contact the members concerned.

The Senior Auditor updated members on the latest position with the Strategic Risk Register. In line with the Council's Risk Management Policy, the strategic risk register was reviewed every six months, with the most recent review being carried out on the 29 October 2015, with the Corporate Management Team. Karen informed members of the four risks above the appetite and the three risks below. Members were informed that those above the risk appetite have action plans prepared in order to manage the risk. Members were reminded that all the risk registers and action plans are available for members to view on the intranet.

RESOLVED:

1. That the three progress reports be noted.
2. That those members who have not yet completed the on-line training package – ‘Focus on Information Security’ be reminded of the need to do so.

Audit. 34 **ANNUAL REVIEW OF COUNCIL’S COUNTER FRAUD POLICIES – ANTI FRAUD, CORRUPTION AND BRIBERY, WHISTLE BLOWING, ANTI MONEY LAUNDERING AND GIFTS AND HOSPITALITY AND REGISTERING INTERESTS**

The Head of Governance introduced the report seeking the Committee’s approval of the Council’s Counter Fraud Policies, namely:

- Anti-Fraud, Corruption and Bribery;
- Whistleblowing;
- Anti-Money Laundering; and
- Gifts and Hospitality and Registering Interests.

The report demonstrates that the Council has arrangements in place that are designed to promote and ensure probity and propriety in the conduct of its business.

The Head of Governance highlighted the minor changes illustrated at paragraph 5 and asked Members to approve the policy documents.

RESOLVED:

1. That Members approve the Council’s Counter Fraud Policies, the Anti-Fraud, Corruption and Bribery, Whistleblowing, Anti-Money Laundering and Gifts and Hospitality and Registering Interests Policy, which are published on the Council’s intranet.

Audit. 35 **COMPLIANCE WITH THE REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA)**

The Corporate Director of Resources introduced the report which identifies the authority’s use of RIPA since it was last considered at the Audit Committee in November 2014. Members are also required to undertake an annual review of the Council’s Policy.

Philippa informed Members that there had been no Council RIPA investigations since the last report.

Philippa informed Members that The Office of Surveillance Commissioners which oversees the use of covert surveillance by local authorities, carried out their three yearly inspection on 4 November 2015, and initial feedback seemed positive, although an action concerning social media was expected to follow in the formal report. She also informed Members that the Senior Responsible Officer and the three Authorising Officers had attended refresher training 30 September 2015 and requested that Members agree some minor updates in the revised policy.

RESOLVED:

1. That the Council's lack of use of its powers to conduct directed surveillance under the Regulation of Investigatory Powers Act 2000 since November 2014, be noted.
2. That the revised policy, reflecting minor amendments, be agreed.

Audit. 36 ANNUAL AUDIT LETTER 2014/15

Jillian Burrows, Senior Manager at KPMG, introduced the report, which summarised KPMG's key findings from the 2014/15 audit of Wyre Council.

The report reiterates that the Authority has proper arrangements in place for securing financial resilience and challenging how it secures economy, efficiency and effectiveness.

Jillian explained that their final fee for the 2014/15 audit of the Authority was £64,883 which is still in line with the planned fee. This was an increase of £900 from the position set out in their Audit Fee Letter for 2014/15, issued in May 2014, with the increase being due to additional work they were required to undertake on the collection fund balances, following the end of the requirement for us to certify the Authority's NNDR return.

RESOLVED: that the Annual Audit Letter for 2014/15 from the External Auditor's KPMG, be noted.

Audit. 37 ITEMS FOR INFORMATION

The Corporate Director of Resources referred to the Consultation on the 2016/17 Work Programme and Scales of Fees. The indicative fee for Wyre is £48,662, which is the same as 2015/16.

RESOLVED: that the proposed work programme and scale of fees for 2016/17, be noted.

Jillian also provided an update on the new arrangements for auditor appointments. The Council was required to have a plan of action in place by 31 December 2017, to appoint auditors for the 2018/19 financial year. There would need to be a tender process and an independent panel of members. A briefing note would be provided for the next meeting.

Audit. 38 DATE AND TIME OF NEXT MEETING

Audit Committee Meeting, Tuesday 8 March 2016 at 6pm in Committee Room 1.

The meeting started at 6pm and finished at 7.18pm

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