



Audit Committee Minutes

The minutes of the Audit Committee meeting of Wyre Borough Council held on Tuesday 19 November 2019 at the Civic Centre, Poulton-le-Fylde.

Audit Committee members present:

Councillors R Amos, Cartridge, E Ellison, Holden, Ingham, Longton, McKay, Minto, Moon, Stirzaker and Webster

Apologies for absence:

Councillors Fairbanks, O'Neill and L Walmsley

Officers present:

Clare James, Head of Finance and Section 151 Officer
Emma Keany, Governance Trainee
Joanne Billington, Head of Governance and Data Protection Officer
Karen McLellan, Senior Auditor
Mary Grimshaw, Legal Services Manager and Deputy Monitoring Officer
Paul Hewitson, Director at Deloitte LLP (External Auditor)
Roy Saunders, Democratic Services and Scrutiny Manager

No members of the public or press attended the meeting.

26 Declarations of interest

None.

27 Confirmation of minutes

Agreed that the minutes of the Audit Committee meeting held on 30 July 2019 be confirmed as a correct record.

28 Compliance with the Regulation of Investigatory Powers Act 2000 (RIPA)

The Legal Services Manager submitted a report that reviewed the authority's use of RIPA (Regulation of Investigatory Powers Act 2000), the outcome of the RIPA desktop inspection by the IPCO (Investigatory Powers Commissioner's Office) and proposed changes to the Council's RIPA policy.

The Legal Services Manager gave an update to the committee on the findings of the first desktop inspection. She commented on the fact that the council had been found to be low risk with no compliance risk.

There were questions from the committee regarding the requirements that needed to be met in order to apply for an RIPA authorisation. The Legal Services Manager explained the requirements and reiterated to members that no such authorisation had been requested since 2012. She stated that she would report back to the committee if any RIPA authorisations were made.

Agreed:

- 1) That the committee noted the fact that there had been no authorisations granted for directed surveillance or covert human intelligence source under RIPA since 2012.
- 2) That the revised RIPA policy, attached at Appendix A, reflecting the guidance contained in the revised Code of Practice for Covert Surveillance and Property Interference (August 2018), be approved.

29 Internal Audit and Risk Management - Progress Report

The Head of Finance (Section 151 Officer) submitted a progress report on the Internal Audit and Risk Management Plan and the resulting action plan from the 2018/19 Annual Governance Statement.

The Head of Governance introduced the report, stating that it was a six monthly update to the Committee.

The Senior Auditor summarised the report and identified a few key areas to provide the committee with a more in-depth update. These included:

- Marine Hall and the progress it had made since the last update.
- The outcomes of the Strategic Risk review that had taken place on 16 October 2019.
- Steps that had been taken towards the finalisation of the Operational risk registers. The updated registers would be posted on the intranet once completed.
- The separate ICT risk register and the required actions necessary to mitigate any issues from the identified risks.

The Senior Auditor answered questions from the committee regarding the operation of the Marine Hall including its staffing levels, events and business opportunities and the amount of time spent by the Audit team ensuring that procedures and protocols were being adhered to.

There were also questions about Payment Card Industry (PCI) compliance, how risk scores are calculated on the Risk Register and the internal audit plan.

Agreed that the progress on the delivery of the Internal Audit and Risk Management Plan at appendices 1, 2 and 3 be noted.

30 Annual Review of Financial Regulations and Financial Procedure Rules

The Head of Finance (Section 151 Officer) submitted a report.

The Head of Governance explained that the Financial Regulations and Financial Procedure Rules were reviewed annually, in accordance with best practice and guidance. She said that the regular review process provided evidence which helped the council to demonstrate that it had put arrangements in place to maintain a sound system of internal control.

The Head of Governance talked through some of the updates and changes that were being made to the Financial Regulations and Financial Procedure Rules and the additions being made relating to compliance with the Social Value Act 2012.

Agreed that the proposed changes to the Financial Regulations and Financial Procedure Rules be approved.

31 Annual Review of Council's Counter Fraud Policies

The Head of Finance (Section 151 Officer) submitted a report on the Annual Review of the Council's Counter Fraud Policies: Anti-Fraud, Corruption and Bribery; Whistle Blowing; Anti Money Laundering; Gifts, Hospitality and Registration of Interests.

The Head of Governance introduced the report and highlighted proposed changes to the policies.

Agreed:

That the revised versions of the following policy documents be approved:

1. Anti-Fraud, Corruption and Bribery Policy;
2. Whistleblowing Policy;
3. Anti-Money Laundering Policy;
4. Gifts and Hospitality and Registering Interests Policy.

32 Approval of the Council's Data Protection Policy and Procedures

The Head of Governance (Data Protection Officer) submitted a report on the Approval of the Council's Data Protection Policy and Procedures.

She stated that the report demonstrated that the council had arrangements in place to ensure compliance with the General Data Protection Regulations (GDPR) and other data protection laws.

There were questions from the committee regarding Contact Centre staff scripts and privacy notices.

Agreed that the Data Protection Policy and Procedures and incident/breach reporting and investigation instruction at Appendix 1 of the report, be approved.

33 Annual Audit Letter 2018/19

The Council's external auditors Deloitte, submitted a copy of the Annual Audit Letter 2018/19.

Paul Hewitson, Director at Deloitte LLP, stated that it was a mandatory requirement for external auditors to submit such a report and that it was written in layman's terms so that the judgement was more accessible to members of the public. He confirmed that there was nothing fundamentally new or different to the ISA260 report received at the July committee.

Agreed that the Annual Audit Letter for 2018/19 from the External Auditor's Deloitte, be noted and published on the council's website.

34 Role of the External Auditor

Paul Hewitson, External Auditor, gave a presentation to the committee detailing the role of an external auditor.

35 Date of next meeting

Tuesday 10 March 2020 at 6pm in the Council Chamber.

The meeting started at 6pm and finished at 19.24pm.

Date of Publication: 23 December 2019