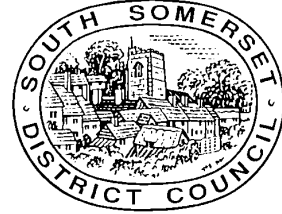


South Somerset District Council

Notice of Meeting



Audit Committee

Making a difference where it counts

Thursday 28th September 2017

10.00 am

**Main Committee Room, Council Offices,
Brympton Way, Yeovil BA20 2HT**

(disabled access and a hearing loop are available at this meeting venue)



The following members are requested to attend the meeting:

Chairman: Derek Yeomans
Vice-chairman: Tony Lock

Jason Baker
Mike Best
Carol Goodall

Anna Groskop
Val Keitch
Graham Middleton

David Norris
Colin Winder

If you would like any further information on the items to be discussed, please contact the Democratic Services Officer on 01935 462596 or democracy@southsomerset.gov.uk

This Agenda was issued on Wednesday 20 September 2017.

Ian Clarke, *Director (SupportServices)*

This information is also available on our website
www.southsomerset.gov.uk and via the mod.gov app



INVESTORS IN PEOPLE

Information for the Public

The purpose of the Audit Committee is to provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority's financial and non-financial performance, to the extent that it affects the authority's exposure to risk and weakens the control environment and to oversee the financial reporting process.

The Audit Committee should review the Code of Corporate Governance seeking assurance where appropriate from the Executive or referring matters to management on the scrutiny function.

The terms of reference of the Audit Committee are:

Internal Audit Activity

1. To approve the Internal Audit Charter and annual Internal Audit Plan;
2. To receive quarterly summaries of Internal Audit reports and seek assurance from management that action has been taken;
3. To receive an annual summary report and opinion, and consider the level of assurance it provides on the council's governance arrangements;
4. To monitor the action plans for Internal Audit reports assessed as "partial" or "no assurance;"
5. To consider specific internal audit reports as requested by the Head of Internal Audit, and monitor the implementation of agreed management actions;
6. To receive an annual report to review the effectiveness of internal audit to ensure compliance with statutory requirements and the level of assurance it provides on the council's governance arrangements;

External Audit Activity

7. To consider and note the annual external Audit Plan and Fees;
8. To consider the reports of external audit including the Annual Audit Letter and seek assurance from management that action has been taken;

Regulatory Framework

9. To consider the effectiveness of SSDC's risk management arrangements, the control environment and associated anti-fraud and corruption arrangements and seek assurance from management that action is being taken;
10. To review the Annual Governance Statement (AGS) and monitor associated action plans;
11. To review the Local Code of Corporate Governance and ensure it reflects best governance practice. This will include regular reviews of part of the Council's Constitution and an overview of risk management;
12. To receive reports from management on the promotion of good corporate governance;

Financial Management and Accounts

13. To review and approve the annual Statement of Accounts, external auditor's opinion and reports to members and monitor management action in response to issues raised;

14. To provide a scrutiny role in Treasury Management matters including regular monitoring of treasury activity and practices. The committee will also review and recommend the Annual Treasury Management Strategy Statement and Investment Strategy, MRP Strategy, and Prudential Indicators to Council;
15. To review and recommend to Council changes to Financial Procedure Rules and Procurement Procedure Rules;

Overall Governance

16. The Audit Committee can request of the Assistant Director – Finance and Corporate Services (S151 Officer), the Assistant Director – Legal and Corporate Services (the Monitoring Officer), or the Chief Executive (Head of Paid Services) a report (including an independent review) on any matter covered within these Terms of Reference;
17. The Audit Committee will request action through District Executive if any issue remains unresolved;
18. The Audit Committee will report to each full Council a summary of its activities.

Meetings of the Audit Committee are usually held monthly including at least one meeting with the Council's external auditor, although in practice the external auditor attends more frequently.

Agendas and minutes of this committee are published on the Council's website at www.southsomerset.gov.uk

Agendas and minutes can also be viewed via the mod.gov app (free) available for iPads and Android devices. Search for 'mod.gov' in the app store for your device and select 'South Somerset' from the list of publishers and then select the committees of interest. A wi-fi signal will be required for a very short time to download an agenda but once downloaded, documents will be viewable offline.

Members questions on reports prior to the Meeting

Members of the Committee are requested to contact report authors on points of clarification prior to the Committee meeting.

Recording and photography at council meetings

Recording of council meetings is permitted, however anyone wishing to do so should let the Chairperson of the meeting know prior to the start of the meeting. The recording should be overt and clearly visible to anyone at the meeting, but non-disruptive. If someone is recording the meeting, the Chairman will make an announcement at the beginning of the meeting. If anyone making public representation does not wish to be recorded they must let the Chairperson know.

The full 'Policy on Audio/Visual Recording and Photography at Council Meetings' can be viewed online at:

<http://modgov.southsomerset.gov.uk/documents/s3327/Policy%20on%20the%20recording%20of%20council%20meetings.pdf>

Audit Committee

Thursday 28 September 2017

Agenda

Preliminary Items

1. Minutes

To approve as a correct record the minutes of the previous meeting held on Thursday 27th July 2017.

2. Apologies for absence

3. Declarations of Interest

In accordance with the Council's current Code of Conduct (as amended 26 February 2015), which includes all the provisions relating to Disclosable Pecuniary Interests (DPI), personal and prejudicial interests, Members are asked to declare any DPI and also any personal interests (and whether or not such personal interests are also "prejudicial") in relation to any matter on the agenda for this meeting.

4. Public question time

5. Date of next meeting

Councillors are requested to note that the next Audit Committee meeting is scheduled to be held at 10.00am on Thursday 26th October in the Main Committee Room, Brympton Way, Yeovil.

Items for Discussion

6. Quarter 1 & 2 Internal Audit Plan 2017/18 Progress Report (Pages 5 - 25)

7. Health, Safety & Welfare - Annual Report 2016-2017 (Pages 26 - 30)

8. Audit Committee Forward Plan (Pages 31 - 32)

Agenda Item 6

Quarter 1 & 2 Internal Audit Plan 2017/18 Progress Report

Head of Service: Gerry Cox, Chief Executive - SWAP
Lead Officers: Ian Baker, Director of Quality / Laura Wicks, Senior Auditor
Contact Details: ian.baker@southwestaudit.co.uk /
laura.wicks@southwestaudit.co.uk

Purpose of the Report

This report provides an update on the position of the 2016/17 Internal Audit Plan and review the progress made on the 2017/18 Internal Audit plan (Quarter 1 and Quarter 2).

Recommendation

To note the progress made.

Background

The Audit Committee agreed the 2017/18 Internal Audit Plan at its March 2017 meeting. This report is to inform the Audit Committee of progress against the Audit plans for 2016/17 and 2017/18.

Financial Implications

There are no financial implications associated with these recommendations.

Background Papers: None

South Somerset District Council

Report of Internal Audit Activity

Plan Progress 2017/18 Quarter 1 and Quarter 2

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Contents

The contacts at SWAP in connection with this report are:

Gerry Cox

Chief Executive

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Ian Baker

Director of Quality

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Laura Wicks

Senior Auditor

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➔	Internal Audit Plan Progress	Page 2
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Internal Audit Plan Progress 2016/17 & 2017/18

Our audit activity is split between:

- Operational Audit
- School Themes
- Governance Audit
- Key Control Audit
- IT Audit
- Grants
- Other Reviews



Role of Internal Audit

The Internal Audit service for the South Somerset District Council is provided by South West Audit Partnership Limited (SWAP). SWAP is a Local Authority controlled Company. SWAP has adopted and works to the Standards of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS), and also follows the CIPFA Code of Practice for Internal Audit. The Partnership is also guided by the Internal Audit Charter which was approved by the Audit Committee at its meeting on 22 June 2017.

Internal Audit provides an independent and objective opinion on the Authority's control environment by evaluating its effectiveness. Primarily the work includes:

- Operational Audit Reviews
- Cross Cutting Governance Audits
- IT Audits
- Grants
- Other Special or Unplanned Reviews

Internal Audit work is largely driven by an Annual Audit Plan. This is approved by the Section 151 Officer, following consultation with the Senior Leadership Team and External Auditors. This year's Audit Plan was reported to this Committee and approved at its meeting in March 2017.

Audit assignments are undertaken in accordance with this Plan to assess current levels of governance, control and risk.

Internal Audit Plan Progress 2016/17 & 2017/18

Outturn to Date:

We rank our recommendations on a scale of 1 to 5, with 1 being minor or administrative concerns to 5 being areas of major concern requiring immediate corrective action



Internal Audit Work Programme

The schedule provided at Appendix B contains a list of all audits as agreed in the Annual Audit Plan 2016/17 and 2017/18 Plan.

It is important that Members are aware of the status of all audits and that this information helps them place reliance on the work of Internal Audit and its ability to complete the plan as agreed.

Each completed assignment includes its respective “assurance opinion” rating together with the number and relative ranking of recommendations that have been raised with management. In such cases, the Committee can take assurance that improvement actions have been agreed with management to address these. The assurance opinion ratings have been determined in accordance with the Internal Audit “Audit Framework Definitions” as detailed in Appendix A.

In the period Quarter 1 and Quarter 2 the following audits have been completed from the 2016/17 Audit Plan:

- Corporate Health & Safety (Reasonable)
- Leisure East Devon (Reasonable)

In the period Quarter 1 and Quarter 2 the following audits have been completed from the 2017/18 Audit Plan:

- Yeovil Cemetery & Crematorium Annual Accounts (Non Opinion)
- Boden Mill & Chard Regeneration Scheme Statement of Accounts (Non Opinion)

The following Audits are in progress at the time of writing this report and a verbal update will be provided to the Committee on these:

2016/17 Audit Plan

- Healthy Organisation (originally scheduled for Quarter 2) – Draft Report Stage

Outturn to Date: continued.....

2017/18 Audit Plan

- Cyber Security
- Licensing
- Grant Funding Fraud Audit
- Organised Crime checklist
- Business Rates Fraud Audit
- Key Controls Provision – areas to be covered include: Creditors, Cash Receipting, Payroll & Treasury Management

To assist the Committee in its important monitoring and scrutiny role, in those cases where weaknesses have been identified in service/function reviews that are considered to represent significant service risks, a summary of the key audit findings that have resulted in them receiving a 'Partial Assurance Opinion' have been summarised in Appendix D.

However, in circumstances where findings have been identified which are considered to represent significant corporate risks to the Council, due to their importance, these issues are separately summarised in Appendix C. These items will remain on this schedule for monitoring by the Committee until the necessary management action is taken and appropriate assurance has been provided that the risks have been mitigated / addressed.

Internal Audit Plan Progress 2016/17 & 2017/18

Added Value

Extra feature(s) of an item of interest (product, service, person etc.) that go beyond the standard expectations and provide something more while adding little or nothing to its cost.



Added Value

Primarily Internal Audit is an assurance function and will remain as such. However, Members requested that we provide them with examples of where we have “added value” to a particular service or function under review. In response to this we have changed our approach and internal processes and will now formally capture at the end of each audit where we have “added value”.

The SWAP definition of “added value” is “it refers to extra feature(s) of an item of interest (product, service, person etc.) that go beyond the standard expectations and provide something "more" while adding little or nothing to its cost”.

During Quarter 1 and Quarter 2, we have sought to add value as follows to the completed audits from the 2016/17 and 2017/18 audit plans:

- Completion of a review of the annual accounts for the Boden Mill Site and Chard Regeneration Scheme;
- Providing assurance to support the Annual Return for the Yeovil Cemetery and Crematorium Accounts on behalf of the Cemetery and Crematorium Committee; and
- Advice / Support provided during the handover period to a new contract lead officer within the Leisure East Devon 2016/17 audit.

Internal Audit Plan Progress 2016/17 & 2017/18

We keep our audit plans under regular review so as to ensure that we auditing the right things at the right time.



Approved Changes to the Audit Plan

The following changes have been made to the audit plan in Quarter 1 and Quarter 2 to ensure internal audit resources are focused on the key risks faced by the Council. All changes are made in agreement with or at the request of the Section 151 Officer:

- Fraud audits – an audit of fraud was scheduled in both Quarter 2 and 3 of the 2017/18 Plan. The focus of these has been determined as Grants and Business Rates Avoidance respectively.
- Key Controls – the focus for this round of key financial controls work has been determined as Creditors, Cash Receipting, Payroll and Treasury Management.
- Records Management has been deferred from Quarter 1 to Quarter 3/4 to enable value to be added through the audit process to this review on aspects of the transformation programme.
- An Elections audit has been scheduled to replace Tourism in Quarter 4. This audit was originally deferred from the 2016/17 audit plan due to election commitments.

At the conclusion of audit assignment work each review is awarded a “Control Assurance Definition”;

- Substantial
- Reasonable
- Partial
- None



Audit Framework Definitions

Control Assurance Definitions

Substantial	▲ ★ ★ ★	I am able to offer substantial assurance as the areas reviewed were found to be adequately controlled. Internal controls are in place and operating effectively and risks against the achievement of objectives are well managed.
Reasonable	▲ ★ ★ ★	I am able to offer reasonable assurance as most of the areas reviewed were found to be adequately controlled. Generally risks are well managed but some systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
Partial	▲ ★ ★ ★	I am able to offer Partial assurance in relation to the areas reviewed and the controls found to be in place. Some key risks are not well managed and systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
None	▲ ★ ★ ★	I am not able to offer any assurance. The areas reviewed were found to be inadequately controlled. Risks are not well managed and systems require the introduction or improvement of internal controls to ensure the achievement of objectives.

Categorisation of Recommendations

When making recommendations to Management it is important that they know how important the recommendation is to their service. There should be a clear distinction between how we evaluate the risks identified for the service but scored at a corporate level and the priority assigned to the recommendation. No timeframes have been applied to each Priority as implementation will depend on several factors; however, the definitions imply the importance.

We keep our audit plans under regular review, so as to ensure we are auditing the right things at the right time.



Audit Framework Definitions

- Priority 5: Findings that are fundamental to the integrity of the unit’s business processes and require the immediate attention of management.
- Priority 4: Important findings that need to be resolved by management.
- Priority 3: The accuracy of records is at risk and requires attention.
- Priority 2: Minor control issues have been identified which nevertheless need to be addressed.
- Priority 1: Administrative errors identified that should be corrected. Simple, no-cost measures would serve to enhance an existing control.

Definitions of Risk

Risk	Reporting Implications
Low	Issues of a minor nature or best practice where some improvement can be made.
Medium	Issues which should be addressed by management in their areas of responsibility.
High	Issues that we consider need to be brought to the attention of senior management.
Very High	Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.

Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	5 = Major ↔ 1 = Minor				
						Recommendation				
						5	4	3	2	1
2016/17										
Follow Up	Property Services	3	Final	Non Opinion	0	0	0	0	0	0
ICT	IT Skills Audit	1	Final	Advisory	0	0	0	0	0	0
Operational	Culture	1	Removed	-	0	0	0	0	0	0
Operational	Yeovil Cemetery & Crematorium Annual Accounts	1	Final	Non Opinion	0	0	0	0	0	0
Grant Certification	Boden Mill & Chard Regeneration Scheme Statement of Accounts	1	Final	Non Opinion	0	0	0	0	0	0
Operational	Safeguarding	2	Final	Reasonable	0	0	0	1	3	0
Healthy Organisation	Corporate Governance	2	Draft							
Healthy Organisation	Financial Management									
Healthy Organisation	Risk Management									
Healthy Organisation	Performance Management									
Healthy Organisation	Commissioning & Procurement									
Healthy Organisation	Programme & Project Management									
Healthy Organisation	Information Management									
Healthy Organisation	People & Asset Management									

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Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	5 = Major		↔		1 = Minor	
						Recommendation					
						5	4	3	2	1	
Operational	Delivering Cost Savings & Increasing Income	2	Final	Reasonable	1	0	0	1	0	0	
Operational	Land Charges	2	Final	Reasonable	4	0	0	4	0	0	
Operational	Key Income Streams	3	Final	Reasonable	0	0	0	4	0	0	
Operational	Corporate Health & Safety	3	Final	Reasonable	8	0	1	7	0	0	
Key Control	Key Financial Control Audit	3	Final	Reasonable	0	0	0	6	0	0	
Operational	Local Council Tax Support Scheme	3	Final	Substantial	0	0	0	3	0	0	
Operational	Scheme of Delegation	3	Removed	-	0	0	0	0	0	0	
Operational	Leisure East Devon	4	Final	Reasonable	0	0	0	3	1	0	
Operational	Data Protection	4	Final	Partial	0	0	6	8	0	0	
Operational	Elections	4	Removed	-	0	0	0	0	0	0	
Operational	Lufton Vehicle Workshop	4	Final	Reasonable	0	0	0	5	0	0	
Grant Certification	Regeneration	4	Final	Substantial	0	0	0	0	0	0	

Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	5 = Major ↔ 1 = Minor				
						Recommendation				
						5	4	3	2	1
2017/18										
Grant Certification	Boden Mill & Chard Regeneration Scheme Statement of Accounts	1	Final	Non Opinion	0	0	0	0	0	0
Operational	Yeovil Cemetery & Crematorium Annual Accounts	1	Final	Non Opinion	0	0	0	1	0	0
ICT	Cyber security	1	In Progress		0	0	0	0	0	0
Advice	Risk Management Support	1	Not Started		0	0	0	0	0	0
Operational	Licensing	1	In Progress		0	0	0	0	0	0
Follow Up	Risk Management Follow Up	2	Not Started		0	0	0	0	0	0
Governance, Fraud & Corruption	Grant Funding Fraud Audit	2	In Progress		0	0	0	0	0	0
Governance, Fraud & Corruption	Organised Crime checklist	2	In Progress		0	0	0	0	0	0
Key Control	Key Controls Provision – areas to be covered include: Creditors, Cash Receipting, Payroll & Treasury Management	3	In Progress		0	0	0	0	0	0
Governance, Fraud & Corruption	Business Rates Fraud Audit	3	In Progress		0	0	0	0	0	0

Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	5 = Major		↔	1 = Minor	
						Recommendation				
						5	4	3	2	1
Operational	LED Contract Compliance	3	Not Started		0	0	0	0	0	0
Operational	Programme and Project Management	3	Not Started		0	0	0	0	0	0
Operational	Procurement Review	3	Not Started		0	0	0	0	0	0
Operational	Records Management	3	In Progress		0	0	0	0	0	0
Operational	Key Income Streams	4	Not Started		0	0	0	0	0	0
Operational	S106/ CIL	4	Not Started		0	0	0	0	0	0
Operational	Accountability	4	Not Started		0	0	0	0	0	0
Operational	Business Continuity Key Service Test	4	Not Started		0	0	0	0	0	0
Operational	Housing Benefit Claims/Subsidy	4	Not Started		0	0	0	0	0	0
Operational	Elections	4	Not Started		0	0	0	0	0	0

Schedule of potential significant risks identified from Internal Audit work in the period Quarter 1 and Quarter 2

Ref	No	Name of Audit	Weaknesses Found	Risk Identified	Recommendation Action	Managers Agreed Action	Agreed Date of Action	Manager's Update (Date)
35702		Data Protection	For individuals supporting the Authority, either by secondment or as private contractors paid through the Authority's payroll system, there was insufficient assurance that they have been fully trained with regard to data protection requirements. There is also some uncertainty as to their status, i.e. whether they are	If they are data processors rather than employees then the authority is in breach of the DPA. There is an increased risk of fines and reputational damage if these individuals are responsible for further data breaches.	I recommend that the HR Manager/Housing and Welfare Manager as appropriate should confirm the status of these officers (within the context of Data Protection legislation). If it is determined that individuals are employed on a secondment basis or are considered employees, confirmation should be sought that data protection induction and	HR Manager - The Interim Assistant Director for Transformation has been provided with a copy of the induction programme which includes guidance on Data Protection provided to all staff on induction. H&W Manager – Confirmation to be obtained regarding Homefinder Scheme Co-ordinator status and Data Protection induction.	31 st May 2017	

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			employees or contractors.		training has been carried out. If the individuals are considered private contractors, a written contract covering data protection issues should be used.			
35703	Data Protection		Where contracts are in place, these contracts often lacked sufficient detail re the data processing requirements and service managers should have sought input from the Fraud and Data Team if they were unclear what the DPA required.	The Authority may be unable to demonstrate it has taken reasonable steps to ensure the safety of personal data handled by Data Processors, resulting in larger fines and greater reputational damage.	I recommend that the Procurement and Risk Manager should issue a reminder to all Service Managers, stating that where contracts are to be extended beyond their natural term, advice is taken from the Procurement and Risk Manager on the legality of the extension (which may otherwise be unlawful), and written confirmation and	Agreed. Reminder to be issued.	31 st July 2017	

					authority for this extension should, as a point of good practice, be drawn up and held with the contract documentation in the Deed Room.			
35704	Data Protection	Where contracts are in place, these contracts often lacked sufficient detail re the data processing requirements and service managers should have sought input from the Fraud and Data Team if they were unclear what the DPA required.	The Authority may be unable to demonstrate it has taken reasonable steps to ensure the safety of personal data handled by Data Processors, resulting in larger fines and greater reputational damage.	I recommend that the Fraud and Data Manager issues a reminder to all Contract Managers that where contracts are renewed or it is agreed to roll them forward, that data protection issues are covered.	Happy to do this.	28 th April 2017		
35707	Data Protection	The central repository for contracts, maintained by the legal team,	Contracts may be hard to or impossible to locate as responsible officers	I recommend that the Procurement and Risk Manager should arrange for A copy of all	Agreed. Service areas to be made aware.	31 st July 2017		

			is often not used by service areas. We found that in the majority of instances service managers retain the only copy of contracts in their services' area.	change posts or leave. In the event of a major incident such as a fire/flood, paper based contracts may be permanently lost. The Authority may be unable to enforce contractual obligations including those relating to data protection or demonstrate that reasonable steps were taken to ensure the data protection requirements were met.	significant contracts, including low value contracts where there are significant risks in terms of DPA compliance, to be lodged with the legal team for retention within the central repository. The Procurement and Risk Manager should ensure that all service areas are aware of this requirement.			
35708		Data Protection	Where contracts are in place, these contracts often lacked sufficient detail re the data processing requirements and service managers should have	The Authority may be unable to demonstrate it has taken reasonable steps to ensure the safety of personal data handled by Data Processors, resulting in larger fines and greater reputational	The Fraud and Data Manager should issue a reminder to all service managers that they should liaise with her when drafting any contracts with Data Processors, to ensure that all	Happy to do this again (have already made aware in past).	31 st May 2017	

			sought input from the Fraud and Data Team if they were unclear what the DPA required.	damage.	relevant clauses are included.			
35709	Data Protection	A contract could not be located for the Out of Hours Service.	This is a breach of the Data Protection Act and if the ICO became aware it could result in heavier penalties being imposed on the Authority.	I recommend that the Civil Contingencies Manager should put a formal agreement in place between the Authority and the Deane Helpline Service, covering all necessary data protection responsibilities and obligations including liaison with the Fraud and Data Team as necessary.	Agreed.	31 st October 2017		

Summary of key points related to ‘Partial Assurance’ reviews

Audit Title	Significant Audit Findings	Key Actions Agreed by Service	Dates of Agreed Implementation	Date of programmed follow up
Data Protection	<p>A partial Assurance rating was given for the following reasons:</p> <ul style="list-style-type: none"> • Only a small number (3 out of 12) of contracts/agreements from our sample were catalogued and held in the central repository (consisting of a fire proof room) by the legal team. There is a risk that this could lead to the permanent loss of contract documents, which in turn could lead to difficulties in dispute resolution with regard to data protection issues with data processors. • Contracts were also not in place for all data processors which is a direct breach of the Data Protection Act. • Service areas conducting procurement exercises where data processors are to be used are not ensuring the requirements of the DPA are met. They are not, generally, seeking advice from the Fraud and Data Team at an early stage which reduces the level of expertise used when developing such arrangements and increases the risk of a breach. • Transmission of data between the Authority and data processors was not always carried out securely and although not generally of a sensitive 	As detailed in the above table.	As above	TBC

Audit Title	Significant Audit Findings	Key Actions Agreed by Service	Dates of Agreed Implementation	Date of programmed follow up
	<p>nature, a breach could result in financial penalties being incurred.</p> <ul style="list-style-type: none"> The Authority utilise a number of individuals in roles that have access to personal data who are not direct employees but are also not treated as data processors and so have not been subject to a formal contract containing the mandatory conditions nor have they met the other DPA requirements e.g. concerning security measures. 			

Agenda Item 7

Health, Safety & Welfare – Annual Report 2016-2017

Strategic Director: Clare Pestell, Director of Commercial Services & Income Generation
Assistant Director: Laurence Willis, Assistant Director Environment
Service Manager: Pam Harvey, Civil Contingencies Manager
Lead Officer: Pam Harvey, Civil Contingencies Manager
Contact Details: Pam.harvey@southsomerset.gov.uk or (01935) 462303

Purpose of the Report

In order to keep Members informed of health, safety and welfare issues relevant to South Somerset District Council activities and undertakings, an annual report is presented to the Audit Committee.

This report covers the period from April 2016 – September 2017.

The report contains an overview of health and safety matters and /or concerns, details of any new or impending Health & Safety legislation and comments on other health, safety or welfare matters that may have some impact on Council activities.

Recommendation(s)

(1) That member's note and comment on the report.

Report

Health & Safety Management

Following the last report to Member's I am pleased to be able to report that there has been progress in a number of areas of health & safety management.

Safety Panel

As Members will recall in 2015 the Safety Panel was relaunched, with members from all services taking an active part. The panel now looks in more depth at specific issues in a 'spotlight' section; recent items have included Lone Working, Working at Height & Driving at Work. The standing items include accidents and incidents, legislation changes, recent prosecutions & fire risk matters. Future Safety Panel meetings will spotlight Service risk assessments and provide support and advice to Managers. The panel has also discussed the Transformation Programme and how that will affect Health & Safety at Work.

Health & Safety Audit Report

Recently SWAP has carried out a Corporate Health & Safety Report. The report offered a reasonable assurance that most of the areas they investigated were adequately controlled. Several recommendations were made that have been agreed. The Civil Contingencies manager will give a verbal update to Members on progress at the meeting.

Health & Safety Management System

The TEN Health & Safety Management System is regularly used by all services to enter and update risk assessments and to enter incident reports. There are now over 1000 operational risk assessments spread across the Councils services, entered onto the system. There are also a significant number of

COSHH assessments that have been entered onto the system. However, the SWAP audit did raise a number of questions around the TEN systems and as part of the Transformation programme we are looking to replace the TEN H&S system.

Annual Health & Safety Inspection’s

All Council Offices have been inspected this year, and Property services have an action plan of works or modifications that are required. A programme of Fire Risk Assessments on all Council Offices has been carried out, and an action plan for each building will be compiled.

Accidents Statistics

Period covered April 2016 – September 2017

Service	No of Reported Accidents	Days Lost	Comments
Streetscene	11	24	Mainly minor accidents
Development Control	2	0	Minor accidents
IT	2	0	Minor Accidents
Yeovil Innovation Centre	3	0	Minor Accidents
Revenues & Benefits	2	Over 6 months	One person with a continuing problem*
Countryside	1	-	Minor accident
Arts & Entertainment	2	-	Minor accidents
Property & Engineering	1	-	Minor accidents
Print Room	2	0	Minor Accidents
Environmental Health	4	0	Minor Accidents
Housing & Welfare	1	0	Minor Accidents
Total	31	204	

Incident Statistics

Period covered April 2016 – September 2017

The Civil Contingencies Manager will give a verbal update on the incident statistics at the meeting.

Health & Safety & Transformation

The Transformation project and the subsequent new ways of working have some implications for Health & Safety Management. The issues we are currently looking at with the Transformation Project Sponsors are:

- Training for New Managers
- Lone Working Solutions
- Innovative IT solutions

Priorities for 2017-2018

Review all Health & Safety policies in line with the Transformation Project

Procure a new Health & Safety system

Annual Health & Safety Inspection of all Council Offices

Review Case Law and how that may affect Council operations

Manage & Chair Safety Panel

Recent Cases:

Company fined after worker fell from height

Date:

31 July 2017

Fruehauf Limited has been fined after a worker sustained fatal injuries after falling from a cherry picker at a factory in Grantham.

Lincoln Magistrates Court heard how on 18 February 2016, the 64-year old worker fell while climbing from the basket of a cherry picker onto an overhead travelling crane to repair it. The court heard that the work was not properly planned and carried out without suitable harnesses and fall arrest equipment.

An investigation by the Health and Safety Executive (HSE) found that Fruehauf Limited failed to provide and enforce a safe system of work for accessing the overhead cranes in the factory; The company did not have appropriate management arrangements in place for controlling, monitoring and reviewing the safety of maintenance tasks and the activity was not properly risk assessed.

Fruehauf Limited pleaded guilty to being in breach of Regulation 2 (1) of the Health and Safety at Work etc Act 1974, and Regulations 3(1) and 5(1) of the Management of Health and Safety at Work Regulations 1999. The company was fined £200,000 and were ordered to pay costs of £5,622.

Speaking after the hearing HM Inspector Martin Giles said: "Those in control of work have a responsibility to devise safe methods of working and to provide the necessary information, instruction and training to their workers in the safe system of working.

This incident could have been prevented had Fruehauf Limited provided appropriate supervision and suitable fall arrest equipment for their workers to wear and use.

Source: HSE Website

Engineering firm fined after exposing workers to Hand Arm Vibration Syndrome (HAVS)

Date:

11 July 2017

An engineering firm has been fined for failing to control the risk to employees using hand held power tools from Hand-Arm Vibration Syndrome (HAVS).

Manchester and Salford Magistrates heard how Newfield Fabrications Co Ltd (NFCL) failed to ensure the risks to its employees from exposure was adequately controlled. The company also failed to ensure its employees were given sufficient information, instruction and training on the effects of working with vibrating hand tools.

An investigation by the Health and Safety Executive (HSE) found that sometime towards the end of 2015, a welder who had been working at the company for a number of years had been given a job that involved a significant amount of grinding and polishing.

After a number of hours on the task, the worker began to experience numbness and tingling. He asked to swap with another worker but was told to carry on. Whilst his symptoms continued he was told by his supervisor to carry on using vibrating tools.

A few weeks later, a 20 year old apprentice welder also began to suffer from vibration-related symptoms from using similar tools.

Newfield Fabrications Co Ltd of Sandbach, pleaded guilty to breaching Regulations 6(1) and 8(1) of the Control of Vibration at Work Regulations 2005. The company has been fined £120,000 and ordered to pay £7,241 costs.

Speaking after the hearing HSE inspector Helen Jones said: "This is a case of the company failing to protect workers using vibrating tools. Exposure to hand arm vibration is a well-known risk which the company failed to adequately control.

"The company also failed to ensure workers were looked after when symptoms did arise leading to further exposure. This was wholly inadequate, and led to two employees suffering significant health effects."

Source: HSE Website

South West Water fined after death of employee

Date:

21 April 2017

South West Water has been sentenced following the death of 54-year-old Robert Geach.

Truro Crown Court heard Mr Geach, a catchment operator, was working on the sand filtration unit of the Falmouth Waste Water Treatment Works on 30 December 2013 when a colleague discovered him face down in water. He died at the scene having drowned.

Mr Geach was last seen working on the top of the unit several hours before he was found by his colleague who was responding to the lone worker system. An investigation by the Health and Safety Executive (HSE) found the company failed to identify the risk of drowning with the maintenance activity which was undertaken by Mr Geach and his colleagues on a regular basis.

South West Water Ltd of Peninsula House, Rydon Lane, Exeter pleaded guilty of breaching Section 2 (1) of the Health and Safety at Work Act 1974, was fined £1.8million and ordered to pay costs of £41,607.71.

Speaking after the hearing HSE inspector Georgina Speake said: "This tragic case could have been prevented if the company had reduced the size of the hatch used to access the sand filters, and properly considered the hazards of the operation, including how close Mr Geach was to the water.

"Mr Geach was exposed to the risk of drowning which could have been easily been controlled if the task had been properly planned and simple measures adopted earlier which South West Water failed to do so adequately."

Source: HSE Website

Agenda Item 8

Audit Committee Forward Plan

Director: Ian Clarke, Support Services
Lead Officer: Kelly Wheeler, Democratic Services Officer
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Purpose of the Report

This report informs Members of the agreed Audit Committee Forward Plan.

Recommendation

Members are asked to comment upon and note the proposed Audit Committee Forward Plan as attached.

Audit Committee Forward Plan

The forward plan sets out items and issues to be discussed over the coming few months and is reviewed annually.

Items marked in italics are not yet confirmed.

Background Papers: *None*

Audit Committee – Forward Plan

Committee Date	Item	Responsible Officer
26 Oct 17	<ul style="list-style-type: none"> • Mid-year review of Treasury Strategy – Needs to go on to Full Council • Treasury Management – First quarter and monitoring report • Treasury Management Practices 	Karen Gubbins Karen Gubbins Karen Gubbins
23 Nov 17	<ul style="list-style-type: none"> • Treasury Management – Second quarter monitoring report • Internal Audit – second quarter update • Annual Audit Letter • Annual Fraud Programme 	Karen Gubbins Moya Moore Paul Fitzgerald Lynda Creek
25 Jan 18	<ul style="list-style-type: none"> • Appointment of External Auditor 	Paul Fitzgerald
22 Feb 18	<ul style="list-style-type: none"> • Internal Audit – Third quarter update • Treasury Management – Third quarter monitoring report 	Moya Moore Karen Gubbins
22 March 18	<ul style="list-style-type: none"> • Internal Audit Plan – approve 17/18 plan • Internal Audit – Charter 	Moya Moore Moya Moore