

South Somerset District Council

Minutes of a meeting of the Audit Committee held in the Main Committee Room - Council Offices on Thursday 28 March 2019.

(10.00 – 10.58)

Present:

Members: Councillor Derek Yeomans (Chairman)

Mike Best
Nigel Gage

Graham Middleton
Jo Roundell Greene



Officers

Alastair Woodland
Netta Meadows
David Johnson
Kelly Wheeler
Paul Matravers

Assistant Director, SWAP
Director (Strategy & Support Services)
Engagement Manager, Grant Thornton UK LLP
Case Services Officer (Support Services)
Specialist - Finance

Also Present:

50. Minutes (Agenda Item 1)

The minutes of the previous meeting, held on Thursday 24th January 2019, copies of which had been circulated, were agreed as a correct record and signed by the Chairman.

One member explained that it would be useful having officer names included within the minutes, rather than just the job titles. He added that this had previously been raised at a meeting. The Director – Strategy and Support Services agreed to look into this further.

51. Apologies for absence (Agenda Item 2)

An apology of absence was received from Councillor David Norris.

52. Declarations of Interest (Agenda Item 3)

There were no declarations of interest.

53. Public question time (Agenda Item 4)

There were no members of the public present at the meeting.

54. Date of next meeting (Agenda Item 5)

Members noted that the date of the next meeting of the Audit Committee was scheduled for 10am on Thursday 27th June 2019 in the Council Chamber B.

The Chairman pointed out that there would be new members on the Committee in June and advised that they would need mandatory training. The Director of Strategy and Support Services advised that a training programme had been developed.

55. Internal Audit Plan and Charter 2019-20 (Agenda Item 6)

The Assistant Director, South West Audit Partnership, presented his report to members. He explained that the audit plan which had been produced required approval of the Audit Committee. The Audit Charter, which largely remained the same, also needed approval from the Audit Committee.

He explained that there were many factors which were considered when the plan was put together. These were listed on page 8 of the agenda. He added that the SSDC risk management framework was still being developed so limited assurance was taken from this when producing the plan.

He explained that, following meetings with SSDC directors, a summary of outcomes of the risk assessment for the Council were listed on page 9 of the agenda. The core areas of recommended coverage were included within the report and he felt that these were the key risk areas for SSDC.

He referred members to page 10 of the agenda report, advising that there was limited coverage on some of the key corporate outcomes. SWAP would monitor its coverage against the corporate outcomes to ensure there is suitable coverage over the medium term as it's not possible to cover all outcomes in detail in one audit plan year.

He advised members that quarter 4 of the benefit realisation audit had been carried forward from the 2017/18 audit plan. This was due to the timing of the Transformation Project.

In response to a question from a member, he confirmed that an external review of SWAP would soon be carried, however was unable to confirm the date for this assessment.

He added that the performance target was set to achieving 90% of the plan, however hoped that this target would be exceeded. There had been some changes to the customer feedback questionnaires, which would allow the value our work brings to SSDC to be monitored.

He referred to appendix 1 of the report, advising that this appendix detailed the planned audits. Full financial audits would be carried out following the changes made during the Transformation Project. He summarised some of the other audits which were included in the list, advising that links to the council plan were included. A progress report would be provided to members at the June Audit Committee meeting.

He referred to appendix 2 of the report. He advised that the only change to The Internal Audit Charter was the date of the review.

One member asked how much money had been paid into the reserve fund from the income made through the commercial projects. He also asked whether this reserve fund was ring-fenced and at what point could these funds be released towards revenue.

In response to the question, the Director of Support Services and Strategy advised that she would speak to the director of Commercial Services and Income Generation and that these details could be provided.

Members agreed to approve the Internal Audit Plan for 2019-20 and to approve the Internal Audit Charter.

On being put to the vote, this was carried unanimously.

RESOLVED: that members approved the Internal Audit Plan for 2019-20 and approved the internal Audit Charter.

(voting: unanimous)

56. External Audit Plan for 2018/19 (Agenda Item 7)

The Engagement Manager, Grant Thornton, presented his report to members. He explained that the plan only contained slight changes from the last years plan.

His comments included;

- Page 24 of the agenda provided an introduction to the plan and provided a list of significant risks.
- That planning materiality had been determined to be £1.53 million. This remained the same as the previous year, adding that this figure could be revisited if there were any significant changes.
- He advised that the Value for Money arrangements on page 24 of the agenda, were a possible risk. He added that the Transformation Programme was a risk, however the report did not state that this was necessarily the expected outcome.
- The fee for the audit had been reduced.

He drew members attention to page 25 of the agenda which included factors impacting the audit and the responses given. He also advised members that the significant risks were detailed on pages 26 and 27 of the agenda.

Following the short discussion, members agreed to note the report.

RESOLVED: that members noted the annual external Audit Plan for 2018/19.

57. External Audit Progress Report (Agenda Item 8)

The Engagement Manager, from Grant Thornton, presented his report to members. He explained that the report provided a progress and sector update report for the year ending March 2019.

He referred members to page 39 of the agenda report. He explained that the progress of the Financial Statements Audit and Value for Money were detailed in the report. He pointed out that the Annual Housing Benefit Subsidy Claim was concluded in November.

He explained to members that workshops were provided by Grant Thornton and that a member of staff had attended the annual accounts workshop.

He explained that the Value for Money conclusion was ongoing and that the Audit Certification Letter had been completed.

Following the short discussion, members agreed to note the report.

RESOLVED: that members noted the report.

58. Health and Safety Update (Agenda Item 9)

The Director – Strategy and Support Services presented her report to members. She explained that the report summarised work, which had been carried out over the last 9-10 months.

She informed members that prior to the Transformation Project, one officer had lead on Health and Safety, however this has since been reviewed. In addition to the existing Health & Safety panel, a new steering group has been organised. The panel comprises staff representatives from many services across the council, including higher risk areas such as Lufton and green spaces. She added that the panel had developed a formal work plan. The new steering group consists of members of the Leadership & Management Team.

She advised Members that lone working was a priority for the panel and explained that the Sky Guard system had been introduced and is available to all staff that require one. She summarised how this system worked and explained that the system could identify the location of a member of staff in an emergency.

She also explained that additional work was being carried out to ensure that all accidents and 'near-miss' accidents were reported. A new system to report accidents and 'near misses' would be introduced later in the year. Currently this is done on paper and the new system would be electronic reporting.

She provided further information on some of the accidents detailed within the report. She felt that the Steering Group and Safety Panel provided a shared responsibility for health and safety, which should make health and safety procedures more thorough and resilient.

The Director – Strategy and Support Services advised that an update report will provided annually to the Audit Committee.

RESOLVED: that members noted the current update on health and safety as detailed in the report.

59. Civil Contingencies & Whistleblowing Update (Agenda Item 10)

The Director, Strategy and Support Services introduced her report.

She advised that there had been no reports of whistleblowing to either the HR Manager or the Monitoring Officer.

She explained to members that a new way of reporting out of hours emergencies had been developed. She informed members that previously, out of hours emergencies had been passed to one single person who was 'on-call' and would then pass these emergencies to the appropriate officer. These calls often included reports of stray dogs and drug paraphernalia.

She advised members that the new system provided a rota of senior officers, who would take turns to be 'on call' for more serious emergencies. She informed members that calls, which needed to be passed to a specific team/officer, would now go direct to that team/officer from the out of hours helpline. An example of this were reports of stray dogs and tress which had blown over. These calls would now go straight to the appropriate person. Non-emergencies would be recorded and picked up the next working day.

She clarified that the three directors, Chief Executive and 4 members of the Leadership & Management Team were on this Strategic rota. There is also an operational rota in effect which contains other members of the Leadership & Management Team. Training had been provided, as well as conducting a mock major incident scenario. She confirmed that more of these training events would be scheduled.

In response to a question from a member, the Director advised that SSDC were part of the South West BREXIT operational group and that a local level BREXIT action plan had been developed. It had been highlighted that additional work may be required by the Food Safety Team if Britain were to leave the EU with a no-deal BREXIT.

RESOLVED: that members noted the current update on civil contingencies and whistleblowing as detailed in the report.

60. Audit Committee Forward Plan (Agenda Item 11)

The Assistant Director, South West Audit Partnership advised that an internal audit update report would be provided at the June meeting of the Audit Committee. This report would provide an update on the Contract Monitoring and Financial Resilience audits.

RESOLVED: that members noted the Audit Committee Forward Plan.

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Chairman