

Audit Committee

This report summarises the items considered by the Audit Committee on 22nd February:

72. External Audit Plan for 2017/18 (Agenda Item 6)

Beth Garner, In-charge Auditor, Grant Thornton, presented the report to members.

Some of the key highlights from her plan included:

- She drew member's attention to the significant risks which had been identified and were detailed on page 8 of the agenda.
- She explained that materiality had been set at 2%, which was just under £1.7 million.
- The Transformation Project had been identified as a significant risk under the Value for Money arrangements.
- She summarised the Reasonably Possible Risks identified, which included employee remuneration and operating expenses.
- She explained that 19th July 2018 was the suggested date for publishing the Audit Findings Report. She further explained that a lot of the end of year work would be carried out in June.

In response to a member's question, Barrie Morris – Grant Thornton, clarified that the payroll expenditure was 18% of the Councils total operating expenses. He agreed to amend the report on page 12 of the agenda, and to include the word 'total' to reflect this. He advised that this figure included money spent on housing benefit grants.

During the discussion, the Lead Specialist (Finance) confirmed that there was an accountant already working on asset valuation in preparation for year-end as this had previously been identified as a high risk area. She further advised that the council's specialised assets, such as Goldenstones were re-valued every year, and an analysis of non-specialised assets was being carried out as well to ensure the valuation was not materially incorrect.

RESOLVED: that members noted the report.

73. Quarter 3 Internal Audit Plan 2017/18 Progress Report (Agenda Item 7)

Laura Wicks – Senior Auditor SWAP, presented her report to members. She highlighted some of the points from her update report to include;

- She explained that page 26 of the agenda report summarised the progress made and advised that the healthy organisation report for 2016/17 had recently been finalised and issued.
- She also explained that the reports for Cyber Security, Grant Funding Fraud Audit, Creditors, Payroll and Cash Receipting had also been finalised.
- A reasonable opinion had been provided on the Cyber Security report, however significant risk had been identified.
- She explained that following a more positive report on Housing Benefit from Grant Thornton, they would still be looking at Housing Benefit, however on a reduced scale.

- The Risk Management report has not yet been started however would now be looked at within the 2018/19 Audit Plan as the Transformation Project was considered a greater risk.

The Director of Strategy and Commissioning explained that there would be a permanent Procurement and Risk post included within the new structure. She further confirmed that there was a risk register which was being updated, however advised that some of the risks may not be strategic risks and that a review of the list would be taking place.

RESOLVED: that members noted the report.

74. Update on Progress Towards Meeting the General Data Protection Regulation (GDPR) and Data Protection Matters (Agenda Item 8)

The Director of Strategy and Commissioning presented her update report to members. She summarised the 12 steps to implement GDPR as provided by the Information Commissioner's office and advised members of the progress which had been made.

She advised that the implementation of GDPR and wider data protection issues would become a stream of the Transformation Project and that updates were being provided to Scrutiny and SLT regularly.

She clarified that all elected members had been registered as data controllers as they were all personally responsible for the data which they collect. She explained that training would be provided for members and staff.

In response to questions from members she confirmed that she was looking at ways to offer support to the Town and Parish Council's. One member suggested that training could be provided to Town and Parish Councils by holding workshops at the Brympton Way office.

The Support Services Team Leader advised that she would be attending each of the four area committees to offer support to the ward members and to answer any questions.

RESOLVED: that members noted the report.

75. Audit Committee Forward Plan (Agenda Item 9)

One member suggested that once appointed, it would be useful to meet the Procurement and Risk Specialist at a meeting of the Audit Committee.

Members noted the Audit Forward Plan.

Cllr Derek Yeomans
Chairman of Audit Committee