

CHILTERN DISTRICT COUNCIL

MINUTES of the Meeting of the **CDC AUDIT AND STANDARDS COMMITTEE** held on **9 MARCH 2017**

PRESENT: Councillor J L Gladwin - Chairman

Councillors: A K Bacon
J A Burton
C J Ford
D W Phillips
C J Wertheim

APOLOGIES FOR ABSENCE were received from Councillors C J Jackson, R J Jones and N I Varley, also received from Mr D Gleen and Mrs C Langley.

The Chairman welcomed Sue Gill and Ben Cooper from Ernst & Young and Chris Harris from TIAA to the meeting. Apologies were received from Andrew Brittain of Ernst & Young.

44 MINUTES

The Minutes of the meetings of the Audit & Standards Committee held on 26 January 2017 were agreed by the Committee and signed by the Chairman as a correct record with the following additions.

With regard to the proposed audit training for members of the Committee (Minute 43), it was requested that the training be arranged for existing Members of the Committee. It was suggested that this could be arranged for the half hour before a Committee meeting and it was agreed that this would be a convenient time to hold the training. Officers would look at options for an internal or external speaker to lead the training, and also the training session would be open to South Bucks members.

The request for a further audit on employee expenses with sampling to ensure compliance (Minute 38) was discussed. It was advised that this was now on the annual plan for April each year. It was requested however that the past financial year 2016/17 be looked at first. Chris Harris agreed to add this to the work schedule and report back to the June Committee meeting.

45 DECLARATIONS OF INTEREST

There were no declarations of interest.

46 STANDARDS WORK PROGRAMME

The Committee considered the new Standards Work Programme for 2017/18. It was noted that the annual complaints monitoring report would be presented at the 29 June meeting. There was also a need to re-appoint Independent Persons (IP's) as their 5 year tenure would end in July 2017. It was proposed to invite the existing IP's to continue for a further 2 year extension as this would complete the period up to the end of the current Council term in 2019. If they agree to continue, the appointments would need to be recommended to Council for approval. If they do not want to continue, the posts would need to be advertised externally.

It was advised that the Annual Report of the Committee on Standards in Public Life may be reported to the September meeting if it contains information relevant to local government standards issues

Different options for training were discussed and it was agreed that June (following May elections) was a good time for training as it would pick up any changes to Committee membership.

RESOLVED

That the proposed work programme for Standards matters in 2017/18 be noted.

47 AREAS FOR REFRESHER TRAINING/WORKSHOPS FOR MEMBERS ON STANDARDS ISSUES

The Committee were asked to consider and agree the areas and topics for refresher training on standards issues over the coming year. It was noted that for some Committees, making substitutions was difficult unless Members had had necessary training. There would therefore be a general invitation to all Members to attend training workshops.

For Planning, a specialist barrister was being considered to lead a training session which could be open to all Members and help them to advise their electors on their planning issues. Licensing was another specialist area that would benefit from refresher training. Homelessness, Appeals and Complaints and Resources Overview were also recommended for further training.

RESOLVED

That a programme of training be arranged with outside speakers as necessary to which all Members be invited to attend if they wish but

particularly targeted at Committee Members. Dates for training would be arranged in consultation with relevant Chairman.

48 CERTIFICATION OF CLAIMS AND RETURNS ANNUAL REPORT 2015-16

The report set out details of the Certification of claims and returns 2015-16 report, carried out in accordance with DWP methodology and highlighting the main issues. Changes made, due to errors discovered was considered to be low. Overall it was considered to be a good report and thanks were given to the Officers who assisted with the work.

Members considered that the percentage of errors seemed high for the test sample but it was advised that this was not statistically significant, or an indication of materiality.

The fee structure was discussed but it was noted that this was prescribed by the DWP and there were rebates if less work was found than expected.

RESOLVED

That the Certification of Claims and Returns Annual Report 2015/16 be noted.

49 ANNUAL ASSURANCE LETTER

The External Auditor's letter, requesting information on how the Audit & Standards Committee gains assurance from Management had been received. Members considered the proposed response to the questions in the letter. It was noted that the questions were very similar to the previous year.

With regard to question four, "Is the Committee aware of any organisational or management pressure to meet financial or operating targets?", it was considered that the Council was under constant pressure to meet such targets. It was therefore proposed that the response is altered to read that there is no "exceptional" pressure.

It was also noted that the Governance arrangements were audited by internal auditors who had a duty to report any errors to the Audit Committee.

RESOLVED

That the Audit & Standards Committee agree the proposed response to the External Auditor's letter with amendment as detailed above.

50 INTERNAL AUDIT PROGRESS REPORT 2016-17

Chris Harris from TIAA presented the Internal Audit Programme Report for 2016/17. Since the last Audit Committee meeting, a further 4 reports had been finalised. The annual plan had also had a further 4 audits added to it, including Treasury Management. Overall, most reports had reached the draft stage and were expected to be completed by 31 March 2017.

The Property and Asset Management report had been outstanding since 20 July 2016 and there was a request for the relevant officer responsible to provide an explanation to the Committee of why this could not be resolved and completed.

It was noted that some audits had been delayed at the request of the Human Resources Manager due to new IT systems being implemented. The new absence management policy and system had been introduced last autumn but staff were still learning to use it. An audit would be carried out as early as possible to check the accuracy of the new system. It was not considered helpful to audit the previous arrangements.

The Committee considered the completed Debtors report in appendix B. The sample testing found that 5 request forms had not had the correct authority signature and 3 credit notes had been completed without the requisite authority. Members were concerned that Officers were not recognising the importance of the correct procedure. It was agreed that there would be an emphasis on the importance of compliance at the next Heads of Service meeting.

RESOLVED

To note the progress made on the internal audit annual plan 2016/17.

51 INTERNAL AUDIT PLAN 2017-18

The Audit Strategic Plan 2017/18 to 2019/20 and Annual Plan 2017/18 were presented to the meeting. The plans had been prepared based on previous plans, audits now due, meeting Heads of Service, new changes and comparing with other District Councils. The Rolling Strategic Plan sets out the number of days needed to carry out each audit. Many of the forthcoming audits would be done jointly with South Bucks District Council with the exception of the Golf Club (South Bucks District Council) and Crematorium (CDC).

ICT had been allocated 24 days and it was explained that although this had been reduced from 36 days previously (due to new systems being implemented), it was still an area of high risk eg cyber security. The plan

presented to the next meeting would have more detail about how the days work would be allocated.

RESOLVED

To note the Audit Strategic Plan 2017/18 to 2019/20 and the Annual Plan 2017/18.

52 AUDIT WORK PROGRAMME

RESOLVED

That the work programme of the Audit Committee be noted.

The meeting ended at 7.35 pm

