

AUDIT COMMITTEE

Meeting - 17 March 2016

Present: Mr Bradford (Chairman)
Mr D Smith, Mr Hogan, Mr Hollis and Mr Sangster

Apologies for absence: Mrs Gibbs

47. MINUTES

The minutes of the meeting on the 21 January 2016 were agreed and signed by the Chairman.

48. UNDERSTANDING HOW THE AUDIT COMMITTEE GAINS ASSURANCE FROM MANAGEMENT

The Committee received a report which included, as an appendix, the response to the External Auditor's request for information as to how the Audit Committee gains assurance from management.

In response to a question from a Member, Ernst and Young explained that this was a standard letter sent each year to the Council as an annual assurance to sign off the Council's accounts, and that the response varied only marginally from year to year.

The Committee **AGREED** the proposed response to the External Auditor's letter.

49. INTERNAL AUDIT PROGRESS REPORT

The Committee received from TIAA the Internal Audit Progress Report 2015/2016.

TIAA reported that the Internal Audit programme is continuing at pace, with the draft Treasury Management report being finalised, and that the Farnham Park Charitable Trust work - looking at the control and operation - had been completed.

The Creditors audit on page 22 of the report highlighted certain issues about production of receipts to enable reclaiming of VAT. TIAA have been asked by the Chiltern Audit Committee, when they discussed this report, to undertake a further audit to also include how cards are issued, limits set, alongside management controls and reporting on usage. Members were happy to support this proposed additional audit and a report will be produced and brought to the next Committee.

50. INTERNAL AUDIT ANNUAL PLAN 2016/17 AND FIVE YEAR AUDIT STRATEGY

The Committee received from TIAA a report concerning the Internal Audit Plan 2016/17 and Five Year Audit Strategy.

The strategy follows consultation with officers, combined with the knowledge of SBDC that TIAA already have. In particular, page 43 was identified as the audit vision over a period of time reaching to 2020/2021, and details all areas of audit that are proposed to be undertaken.

TIAA highlighted two proposed changes: the Building Control Audit would now be carried out every 2 years, and the DECC audit would no longer be required after 2016/17

51. RISK MANAGEMENT UPDATE

The Committee received an update report concerning risk management across both South Bucks District Council and Chiltern District Council.

The report detailed to Members the harmonised approach implemented in 2015 to managing risk, alongside the current operational and strategic risks, taking into account joint working and common risks facing the authorities, with the framework set out in 2.3.

Members were informed that a consistent approach to Project Management would be key in mitigating risk; therefore there had been work on developing a joint Project Management methodology and training across the authorities.

After the ensuing discussion, the Committee noted the report.

52. AUDIT COMMITTEE WORK PROGRAMME

The Committee noted the Audit Committee Work Programme and were informed that the Ernst and Young Annual External Audit Plan had been received and would be circulated by email to Committee members.

53. DRAFT STANDARDS WORK PROGRAMME 2016/17

The PAG noted the Draft Standards Work programme 2016/17.

54. REVIEW OF GUIDANCE ON DISPENSATIONS

The Committee received a report considering whether the current procedures for granting dispensations to members remains fit for purpose.

It was discussed by the Committee that it was good practice to bring before the Committee how the dispensation process works, and was highlighted that this procedure is mainly used at Council Tax Setting. The opinion of the Monitoring Officer was that the current procedures work effectively.

The Committee noted the report, and did not believe that any changes should be made to the Council's current guidance.

55. UPDATE ON STANDARDS FRAMEWORK

The Committee received a report detailing the compliance with requirements of the standards framework following the local elections in May 2015.

The report detailed to Members the requirement process for disclosing pecuniary and non-pecuniary interests, and further explained that in terms of the new Council intake, declarations were made within the required time. Members were asked as per 3.3, for any feedback on the notification form or any additional guidance required in order to further clarify the process to Members.

It was further highlighted by the Officer present that within the coming year, work would be undertaken in order to make it easier for Members to manage their declarations through modern.gov.

After further discussion, the current position was noted by the Committee.

56. ANY OTHER BUSINESS

Audit Committee - 17 March 2016

Members wished to clarify whether the Audit Committee would gain sight of the use of s106 funding. Officers clarified that this is discussed at the Healthy Communities PAG as it relates to the housing strategy, but that the funding is part of the authority's annual accounts, and would be highlighted to the Committee when they received the 2015/16 Accounts.

The meeting terminated at 6.51 pm