

## **AUDIT AND STANDARDS COMMITTEE (SBDC)**

### **Meeting - 15 March 2018**

Present: D Anthony (Chairman)  
L Hazell, P Hogan and R Sangster

Apologies for absence: G Hollis

#### **45. MINUTES**

The minutes of the meeting held on 18 January 2018 were confirmed and signed by the Chairman.

#### **46. DECLARATIONS OF INTEREST**

There were no declarations of interest.

#### **47. REVIEW OF MEMBER TRAINING IN 2017**

The Committee received a report which noted the standards training held for Members in 2017 and detailed whether it would be appropriate to organise further training sessions/workshops in 2018.

A joint member training session on the Prudential code was to be arranged for June/July 2018 and would be particularly beneficial with both South Bucks District Council and Chiltern District Council using external borrowing and investing for income generation purposes. Democratic Services would canvass Members around the venue and dates in due course.

It was **RESOLVED** that the report be noted.

#### **48. STANDARDS WORK PROGRAMME 2018/19**

The Committee was advised of the two reports that would be presented at the next meeting, the Complaints Monitoring Report 2017/18 and the Review of protocols on the role of the Monitoring Officer and Independent Persons.

It was clarified to Members that the Council does not have a policy for dealing with vexatious complaints from individuals although this was an issue that had been identified to be explored to ensure significant officer time was not being consumed by such complaints, and how vexatious would be judged.

The Committee was advised that whilst the Council did not hold responsibility for setting Complaints Policies or Code of Conduct Policies for Town and Parish Councils it is responsible for investigating Town and Parish Council complaints about members. The Council's Monitoring Officer would offer advice and discuss procedures and good practise if required. It was confirmed that the Council would have a role if the Town and Parish Council complaints referred to Standards matters.

It was **RESOLVED** that the Standards Work Programme be noted.

49. **REVIEW OF RISK BASED VERIFICATION POLICY**

The Committee considered a report which requested that the revised policy to be used for the assessment of Housing Benefit and Council Tax Support claims from 1 April 2018 be reviewed and approved. The continuing use of Risk Based Verification would support improved processing times and focus resources on claims that may contain fraud or error. The Policy was said to have been positively embedded and has helped processing times for benefit claims.

Since the policy was introduced fraud levels had reduced as resources were directed towards the high risk cases, with a higher number of checks now carried out for higher risk cases. This assisted suspected fraud being identified at the earliest opportunity and being reported to the Department for Work and Pensions (DWP) to be investigated.

It was **RESOLVED** that the revised risk based verification policy shown at confidential Appendix A be approved and adopted for the assessment of Housing Benefit and Council Tax support claims from 1 April 2018.

50. **RISK MANAGEMENT UPDATE**

The Committee considered an annual report which updated Members on the risk management framework in place across the two authorities. The report detailed the strategic and key operational risks which could affect the Council reaching its objectives set out in its business plans.

It was **RESOLVED** that the report be noted.

51. **INTERNAL AUDIT INTERIM PROGRESS REPORT**

The Committee received an Internal Audit progress report from TIAA. Chris Harris attended on behalf of TIAA to summarise the report and respond to queries raised by the Committee. The audits completed since the last Committee and changes throughout the year were outlined in the report. Responses had been received in a timely fashion and no emerging risks were identified which could impact on the overall effectiveness of the governance, risk and internal control framework of the organisation.

Two priority 2 recommendations were made in respect of Purchase Card use. The Committee queried why these recommendations remained following two previous years appearing in the report. The Committee was advised that improvements had been made although approximately 30-40 purchase cards were issued across the organisation and on occasion VAT receipts were not obtained. Members were clear that users should be adhering to the system and that the process required tight management until the risk is eradicated. Members requested that an information report on purchase card use be brought to the next meeting of the Audit and Standards Committee.

It was **RESOLVED** that the report be noted.

52. **ANNUAL INTERNAL AUDIT REPORT**

The Committee received a report which noted the process for appointing a reporting accountant. In accordance with Department for Work and Pensions (DWP) guidance, local authorities are required to appoint a relevant independent reporting accountant to carry out audits in respect of the housing benefit subsidy grant claim from 2018/19 onwards.

The DWP had initially set a deadline of 28 February 2018 for this to be completed. However, details of the audit requirements had not yet been released by DWP and appointments cannot be made until this guidance is issued. It was advised that all local authorities were in the same position.

It was **RESOLVED** that the actions to appoint a reporting accountant to carry out the prescribed functions in relation to the audit of the Housing Benefit Subsidy Grant claim be noted.

53. **AUDIT REQUIREMENTS FOR HOUSING BENEFIT SUBSIDY GRANT CLAIM FROM 2018/19 ONWARDS**

The Committee received a report which noted the process for appointing a reporting accountant. In accordance with Department for Work and Pensions (DWP) guidance, local authorities are required to appoint a relevant independent reporting accountant to carry out audits in respect of the housing benefit subsidy grant claim from 2018/19 onwards.

The DWP had initially set a deadline of 28 February 2018 for this to be completed. However, details of the audit requirements had not yet been released by DWP and appointments cannot be made until this guidance is issued. It was advised that all local authorities were in the same position.

It was **RESOLVED** that the actions to appoint a reporting accountant to carry out the prescribed functions in relation to the audit of the Housing Benefit Subsidy Grant claim be noted.

54. **PROPOSED AMENDMENTS TO THE FINANCIAL PROCEDURE RULES**

The Committee considered a report which suggested a number of amendments to the Financial Procedure Rules. The proposed changes were intended to clarify the Financial Procedure Rules and ensure they were fit for purpose.

The Financial Procedure Rules were last updated in May 2016 and although no major changes were deemed necessary, the Committee went through the tracked changes as seen in the appendix on pages 53 - 94 of the reports pack displayed the proposed amendments.

The Committee requested that the proposed amendment for Portfolio Holders to have the power to write off irrecoverable debts up to £50,000 after consultation with their PAGs be removed and were in agreement that on the ad hoc occasion the Council would be required to write off an irrecoverable debt over £10,000 this go on to Cabinet.

Aside from the above, the Committee were in agreement with the proposed amendments.

It was resolved that the Committee agreed to **RECOMMEND** to Council that the revised Financial Procedure Rules contained in Appendix A are approved subject to the proposed amendment to paragraph 222 'Portfolio Holders have the power to write off irrecoverable debts up to £50,000 after consultation with their PAGs' being removed, and therefore irrecoverable debts over £10,000 would need to go through Cabinet.

**55. AUDIT WORK PROGRAMME**

It was **RESOLVED** that the Audit Work Programme be noted. The approval of main accounts which used to be brought to the Audit and Standards Committee annually in September will now be coming to the next meeting in July to tie in with the revised timetable for approval. When the accounts were ready in a draft format they would be circulated to the Committee to review prior to the publication of the meeting agenda.

The meeting terminated at 7.01 pm