

# Audit Committee Minutes

Date: 23 March 2017

Time: 7.00 - 8.20 pm

**PRESENT:** Councillor M C Appleyard (in the Chair)

Councillors S Saddique, A Lee, Ms C J Oliver, G Peart and G C Hall, R J Scott

**Also present:** Sue Gill (External Auditor, Ernst & Young)  
Councillor David Watson

## 1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor N Teesdale.

## 2 DECLARATIONS OF INTEREST

There were no declarations of interest.

## 3 MINUTES

**RESOLVED:** That the minutes of the meeting held on 19 January 2017 be confirmed as a correct record and signed by the Chairman.

## 4 HEALTH AND SAFETY WORK PROGRAMME 2017/18

The Committee considered the Health and Safety Work Programme for 2017/18.

It was reported that progress against the 2016/17 work programme was largely completed and the Council remained a relatively low risk organisation. Work to be highlighted in the 2017/18 work programme included; the need to review site security arrangements in light of the recent attack in Westminster, the potential for health & safety risks in WDC premises (e.g. Booker Depot and Saunderton Lodge), reviewing the Health & Safety intranet web pages, and reviewing the Service Level Agreement with Bucks County Council.

It was noted that the security arrangements review would include all public areas in the Council's buildings.

**RESOLVED:** That the Health and Safety Work Programme for 2017/18 be noted.

## 5 2016/17 SERVICE PERFORMANCE: Q3 (OCTOBER - DECEMBER)

The Committee were provided with an update on a selection of the corporate performance measures for Q3 (October – December).

Information was provided on 19 Level 1 Measures identified by the Audit Committee which included base data as appropriate to put the percentage outturns in context. The Committee specifically considered six targets that were identified 'red'; more than 5% away from target.

During the discussion Members made a number of points and received clarification on a number of queries as follows:

- Homelessness: It was noted that assisting households into private rented properties had become increasingly challenging due to the rise in market rents and this was a problem nationally. Also London borough councils had offered large incentives to landlords to accept clients; however in response WDC offered a good service.
- Sickness absence: There had been a seasonal increase in quarters 3 and 4. It was noted that this had been discussed at length at the Personnel and Development Committee.
- Planning appeals: If targets continued not to be met then an officer from Planning would be invited to a future Committee meeting to provide an explanation.
- Household waste: Data was not yet finalised however amounts collected and recycled were expected to be on target.
- Customer Service Centre: Members considered the number of calls answered within 20 seconds and recommended the current target be increased.

**RESOLVED:** That the 2016/17 Service Performance Q3 (October – December) be noted.

## **6 RED KITE UPDATE**

The Committee received a report which provided an update on Red Kite performance following the transfer of housing stock in December 2011.

The Housing Services Manager reported that according to the information provided by Red Kite they have completed all 109 promises made to tenants and residents prior to the 5 year 'deadline' as per the offer document. It was noted that regarding the Castlefield Regeneration residents had been consulted with and this was now at the pre-planning stage.

The Committee noted this information but were concerned at the accountability regarding the promises made and how these could be verified. It was noted that only the financial arrangements could be audited and Red Kite were reportable to the Homes and Community Agency. It was suggested that Red Kite board members could be invited to the meeting to provide information and that Red Kite be requested to verify the schedule of improvements made as set out in the agreement.

**RESOLVED:**

- i) That Red Kite be contacted to confirm the schedule of improvements made to properties as set out in the agreement.
- ii) That the Red Kite Performance Update be noted.

**7 REGULATION OF INVESTIGATORY POWERS ACT ANNUAL REPORT**

The Committee received a report which provided an update on the Regulation of Investigatory Powers Act (RIPA) Policy and the overall RIPA performance of the Council over the last year. The Principal Solicitor reported that there had been no RIPA activity at the Council since 2014 however the compliance arrangements for RIPA were inspected on 28 November 2016 by His Honour Brian Baker of the Office of Surveillance Commissioners (OSC). The outcome of the inspection had been positive with only three changes to the RIPA policy recommended. These were as follows:

- 4.9 - References and hyperlinks have been added to provide direct readers to the 2014 Home Office and the OSC Procedures.
- 6.15 - This clause has been amended to explain the risks regarding the use of social media and potential dangers that Officers, while investigating, arriving into potential RIPA territory.
- To remove the Corporate Director as an 'Authorised Officer' to maintain the independent supervisory role of the Senior Responsible Officer.

In response to a Member query it was noted that if Council officers were openly investigating or enforcing then this would not fall under the RIPA regulations as it would be considered open surveillance.

**RESOLVED:**

- i) That the removal of the Corporate Director as an 'Authorised Officer' highlighted in Appendix A be noted.
- ii) That the proposed amendments to the Council's RIPA Policy and Procedures highlighted in Appendix B to the report be approved.
- iii) That the present position with regards to the use of RIPA be noted.

**8 CERTIFICATION OF GRANTS AND CLAIMS**

The Committee received the Ernst and Young Certification of Grants and Claims Annual Report 2015-16. It was noted that no recommendations for action had been identified in the report.

The Revenues and Benefits Manager provided an explanation on the thresholds set by DWP for Local Authority errors and the value of these errors. It was reported that the extrapolated value of the errors had taken Wycombe over the DWP threshold and this could reduce the housing subsidy up to £400,000. It was noted that the Revenues and Benefit department had been at the forefront of government changes with an increase in work load and significant reduction in funding. Also staff sickness had been a factor in the ability to process work within set targets.

A number of actions had been put in place which included: a dedicated checking regime, access to external resources during peak periods, additional training, continued management of sickness and reviewing resourcing levels.

In response to a Members query it was noted that some housing benefit overpayments were recovered from future payments made to individuals.

**RESOLVED:** That the EY Certification of Grants and Claims Annual Report 2015-16 be noted.

## **9 PRESENTATION ON THE NEW ANNUAL GOVERNANCE STATEMENT**

The Committee received a presentation on the new Annual Governance Statement.

The Audit, Risk & Fraud Manager advised the Committee of the changes and challenges of the new governance framework. It was noted that a report on the new draft Annual Governance Statement would be provided at the next meeting.

Members noted that the Whistleblowing Policy and any whistleblowing incidents were under the remit of the Personnel and Development Committee. It was suggested that a report be brought to the next meeting of the Audit Committee regarding these arrangements in order to determine whether the Audit Committee's terms of reference required amendment to reflect the future involvement.

It was also noted that the terms of reference would need to be amended to reflect compliance with the Delivering Good Governance in Local Government Framework 2016. The Audit Risk & Fraud Manager would consult with Democratic Services to arrange this amendment.

It was noted that the presentation would be circulated to the Committee members for information.

### **RESOLVED:**

- i) That a report be brought to the June meeting of the Audit Committee regarding the Whistleblowing Policy arrangements.
- ii) That the terms of reference be amended to reflect the Delivery Good Governance in Local Government Framework 2016.

## **10 PROPOSED INTERNAL AUDIT PROGRAMME 2017/18**

The Committee received a report which presented the proposed Internal Audit programme for 2017-18. It was noted that the programme had been compiled after taking into account the following contributions:

- Areas of interest from the Chief Executive, the Corporate Director, the Council's S151 Officer and the Heads of Service;
- Areas of interest as determined by the Audit, Risk and Fraud Manager;
- The contribution from members of the Audit Committee.
- The Strategic Risk Register was used as this provided a useful reference point as regards risk and control.

The Audit, Risk & Fraud Manager noted that a report on the implementation of the recommendations would be provided to members in September.

### **RESOLVED:**

- i) That the Internal Audit programme for 2017/18 be agreed.
- ii) The audit programme be reviewed half-yearly and reported as part of the Audit, Risk & Fraud Manager's half yearly report.

## **11 AUDIT COMMITTEE WORK PROGRAMME**

The Audit Committee work programme as appended to the agenda was reviewed by the Committee.

A report on the Whistleblowing Policy arrangements would be brought to the June meeting for consideration.

It was noted that the draft Statement of Accounts for 2017/18 would be brought to Committee in May 2018 and a special meeting would need to be arranged for the final sign off in July 2018.

**RESOLVED:** That the forward work programme be noted and updated as above.

## **12 INFORMATION SHEETS**

**RESOLVED:** That the following Information Sheets be noted.

- i) 02/2017 Homelessness – Customer Journey.

- ii) 03/2017 Revenues and Benefits Information.

### **13 CHAIRMAN'S REMARKS**

The Chairman noted that The Head of Finance and Commercial, Steve Richardson, was leaving Wycombe District Council and this would be his last Audit Committee meeting.

The Committee thanked Steve for his quality of work, guidance and advice and wished him well for the future.

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Chairman

**The following officers were in attendance at the meeting:**

|                        |                                      |
|------------------------|--------------------------------------|
| Jemma Durkan           | - Senior Democratic Services Officer |
| Steve Richardson       | - Head of Finance and Commercial     |
| Mike Howard            | - Audit, Risk and Fraud Manager      |
| Brian Daly             | - Housing Services Manager           |
| Aisha Bi               | - Policy Officer                     |
| Paul Spencer           | - Shared Support Services Manager    |
| Catherine Herris-Smith | - Principal Solicitor                |
| Andy Green             | - Revenues and Benefits Manager      |