

Minutes

Audit Committee Wednesday, 27th September, 2017

Attendance

Cllr McCheyne (Chair)	Cllr Mrs Fulcher
Cllr Ms Rowlands (Vice-Chair)	Cllr Hirst
Cllr Chilvers	Cllr Russell

Apologies

Substitute Present

Cllr Bridge (substituting for Cllr Mrs Hones)
Cllr Mrs Hubbard (substituting for Cllr Keeble)
Cllr Mrs Slade (substituting for Cllr Reed)

Also Present

Officers Present

Andrew Barnes	-	BDO, Internal Audit
Zoey Foakes	-	Governance & Member Support Officer
Debbie Hanson	-	Ernst & Young, External Audit
Angela Mason-Bell	-	Internal Audit
Philip Ruck	-	Chief Executive
Jacqueline Mellaerts	Van -	Financial Services Manager

124. Apologies for Absence

Apologies were received from Cllr Mrs Hones with Cllr Bridge substituting; Cllr Keeble with Cllr Mrs Hubbard substituting; and from Cllr Reed with Cllr Mrs Slade substituting.

125. Minutes of the Previous Meeting

The minutes of the previous Audit Committee meeting held on 5th July 2017 were approved as a true record subject to an amendment on Page 7 of the agenda for the recommendation to read “*The committee recovered **received** and notes the contents of the report and review of action plan at the next committee meeting*”.

126. Regulation of Investigatory Powers Act 2000

The Office of Surveillance Commissioners (OSC) conducts periodic inspections of local authorities use of their powers under the Regulation of Investigatory Powers Act 2000 (RIPA). The purpose of these inspections was to examine the Council’s policies, procedures, operations and administration in relation to directed surveillance and Covert Human Intelligence Sources (CHIS) under RIPA.

The last inspection took place on 21 July 2014 and resulted in one recommendation: Paragraph 3.30 of the Covert Surveillance and Property Interference Code requires elected members to periodically review the use of RIPA. The report would enable members to achieve the objective by reviewing any RIPA activity in the preceding period and to consider the revised RIPA policy document in Appendix A of the report which incorporated guidance on use by local authorities of social networking sites.

A motion was **MOVED** by Cllr McCheyne and **SECONDED** by Cllr Rowlands to approve the recommendations in the report.

A vote was taken by a show of hands and it was **RESOLVED** that:

- 1. The Committee approves the amendments to the Corporate RIPA policy in order to address use of social networking sites by local authorities.**
- 2. The Committee note the statistical information relating to the use of RIPA over the preceding 3 years.**

Reason for recommendations

To comply with RIPA and to assist with Members oversight and decision making on the draft RIPA policy appended to the report.

127. Internal Audit Progress Report 2017/18

The report was intended to inform the Audit Committee of the progress made against the approved internal audit plans for 2016/17 (now completed) and 2017/18 which was approved by the Audit and Scrutiny Committee in March 2017.

The following reports had been finalised since the last Committee, and a summary of the findings was included in the progress report:

- Housing Services (now with completed action plan) (2016/17)
- Main Financial Systems (2016/17)
- Insurance (2017/18)
- Community Halls Viability (2017/18)

The full reports were available on request.

A motion was **MOVED** by Cllr McCheyne and **SECONDED** by Cllr Rowlands to approve the recommendations in the report.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY** that:

1. **The Committee receives and notes the contents of the reports.**

Reason for recommendation

To monitor the progress of work against the internal audit plan, and highlight recommendations arising from the work of internal audit and managements actions in response to those recommendations.

128. Final Statement of Accounts 2016/17

The report presented the Committee with the findings of the External Auditors in respect of the audit of the Council's Statement of Accounts for 2016/17.

Mr Ruck along with Members praised the work of the Auditors and Finance Team for the work carried out.

Cllr Rowlands declared a pecuniary interest as a Trustee for Brentwood Leisure Trust (BLT) when this was briefly discussed.

A motion was **MOVED** by Cllr McCheyne and **SECONDED** by Cllr Rowlands to approve the recommendations in the report.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY** that:

- 2.1 **The draft Audit Results Report 2016/17 in Appendix A of the report is agreed.**
- 2.2 **The Letter of Representation in Appendix B of the report is agreed.**
- 2.3 **The Statement of Accounts for 2016/17 in Appendix C of the report is approved.**

Reason for recommendations

A system of sound financial control and governance arrangements underpins all of the services and priorities of the Council.

129. Strategic & Operational Risk Review

The report updated members of the Audit Committee on the status of the Council's 2017/18 Strategic Risk register and the progress being made across Services in delivering Operational Risk Registers.

A motion was **MOVED** by Cllr Hirst and **SECONDED** by Cllr Bridge to approve the recommendations in the report.

A vote was taken by a show of hands and it was **RESOLVED** that :

- 1. To agree the revised Insurance & Risk Management Strategy.**
- 2. To agree the amendments to the Strategic Risk Register, as shown in Appendix B of the report, and that the risk scores recorded for each risk accurately represents the current status of each risk.**
- 3. To agree the risk exposure changes and the new risks, as shown in Appendix C of the report to the Operational Risks.**

Reason for Recommendation

Risk Management continued to be embedded quarterly within the Senior Management Team reports, where Service Heads discussed the top level risks for their service areas to ensure that the risks were updated to reflect the ongoing changes.

In addition, the Risk & Insurance Officer would continue to work with risk managers to maintain the good progress to date and further develop a consistent application of risk management considerations across all operations of the Council.

130. Urgent Business

There were no items of urgent business to discuss. The meeting concluded at 20:10.