

South Somerset District Council

Minutes of a meeting of the **Audit Committee** held at the **Main Committee Room, Council Offices, Brympton Way, Yeovil BA20 2HT on Thursday 22 February 2018.**

(10.00 - 11.10 am)

Present:

Members: Councillor Derek Yeomans (Chairman)

Jason Baker	Val Keitch
Mike Best	Tony Lock
Carol Goodall	Graham Middleton
Anna Groskop	Colin Winder

Officers

Laura Wicks	Senior Auditor, SWAP
Ian Baker	Director of Quality, SWAP
Karen Gubbins	Finance Specialist
Netta Meadows	Director (Strategy & Commissioning)
Kelly Wheeler	Case Services Officer (Support Services)
Nicola Hix	Lead Specialist (Finance)

Also Present:

67. Minutes (Agenda Item 1)

The minutes of the previous meeting held on the 25th January 2018, copies of which had been circulated, were agreed as a correct record and signed by the Chairman.

68. Apologies for absence (Agenda Item 2)

An apology of absence was received from Councillor David Norris.

69. Declarations of Interest (Agenda Item 3)

There were no declarations of interest, however Councillor Anna Groskop advised that she was also a Somerset County Council councillor.

70. Public question time (Agenda Item 4)

There were no members of the public present during the meeting.

71. Date of next meeting (Agenda Item 5)

Members noted that the next meeting of the Audit Committee was scheduled for 10am on Thursday 22nd March 2018, in The Main Committee Room, Brympton Way, Yeovil.

72. External Audit Plan for 2017/18 (Agenda Item 6)

Beth Garner, In-charge Auditor, Grant Thornton, presented the report to members.

Some of the key highlights from her plan included;

- She drew member's attention to the significant risks which had been identified and were detailed on page 8 of the agenda.
- She explained that materiality had been set at 2%, which was just under £1.7 million.
- The Transformation Project had been identified as a significant risk under the Value for Money arrangements.
- She summarised the Reasonably Possible Risks identified, which included employee remuneration and operating expenses.
- She explained that 19th July 2018 was the suggested date for publishing the Audit Findings Report. She further explained that a lot of the end of year work would be carried out in June.

In response to a member's question, Barrie Morris – Grant Thornton, clarified that the payroll expenditure was 18% of the Councils total operating expenses. He agreed to amend the report on page 12 of the agenda, and to include the word 'total' to reflect this. He advised that this figure included money spent on housing benefit grants.

During the discussion, the Lead Specialist (Finance) confirmed that there was an accountant already working on asset valuation in preparation for year-end as this had previously been identified as a high risk area. She further advised that the council's specialised assets, such as Goldenstones were re-valued every year, and an analysis of non-specialised assets was being carried out as well to ensure the valuation was not materially incorrect.

RESOLVED: that members noted the report.

73. Quarter 3 Internal Audit Plan 2017/18 Progress Report (Agenda Item 7)

Laura Wicks – Senior Auditor SWAP, presented her report to members. She highlighted some of the points from her update report to include;

- She explained that page 26 of the agenda report summarised the progress made and advised that the healthy organisation report for 2016/17 had recently been finalised and issued.
- She also explained that the reports for Cyber Security, Grant Funding fraud Audit, Creditors, Payroll and Cash Receipting had also been finalised.
- A reasonable opinion had been provided on the Cyber Security report, however significant risk had been identified.
- She explained that following a more positive report on Housing Benefit from Grant Thornton, they would still be looking at Housing Benefit, however on a reduced scale.

- The Risk Management report has not yet been started however would now be looked at within the 2018/19 plan as the Transformation Project was considered a greater risk.

The Director of Strategy and Commissioning explained that there would be a permanent Procurement and Risk post included within the new structure. She further confirmed that there was a risk register which was being updated, however advised that some of the risks may not be strategic risks and that a review of the list would be taking place.

RESOLVED: that members noted the report.

74. Update on Progress Towards Meeting the General Data Protection Regulation (GDPR) and Data Protection Matters (Agenda Item 8)

The Director of Strategy and Commissioning presented her update report to members. She summarised the 12 steps to implement GDPR as provided by the Information Commissioner's office and advised members of the progress which had been made.

She advised that the implementation of GDPR and wider data protection issues would become a stream of the Transformation Project and that updates were being provided to Scrutiny and SLT regularly.

She clarified that all elected members had been registered as data controllers as they were all personally responsible for the data which they collect. She explained that training would be provided for members and staff.

In response to questions from members she confirmed that she was looking at ways to offer support to the Town and Parish Council's. One member suggested that training could be provided to Town and Parish Councils by holding workshops at the Brympton Way office.

The Support Services Team Leader advised that she would be attending each of the four area committees to offer support to the ward members and to answer and questions.

RESOLVED: that members noted the report.

75. Audit Committee Forward Plan (Agenda Item 9)

One member suggested that once appointed, it would be useful to meet the Procurement and Risk Specialist at a meeting of the Audit Committee.

Members noted the Audit Forward Plan.

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Chairman