

## **AUDIT COMMITTEE**

Minutes of a meeting of the Audit Committee of the Bolsover District Council held in the Council Chamber, The Arc, Clowne on Tuesday 23<sup>rd</sup> January 2018 at 1400 hours.

### **PRESENT:-**

Independent Member:-

R. Jaffray in the Chair

Members:-

Councillors M. Dooley, S.W. Fritchley and A.M. Syrett

Officers:-

K. Hanson (Strategic Director), D. Clarke (Assistant Director – Finance and Revenues & Benefits), P. Campbell (Assistant Director – Community Safety and Head of Housing (BDC)), J. Williams (Internal Audit Consortium Manager), E. Smith (Auditor) and A. Brownsword (Senior Governance Officer)

Also in attendance was Mr. T. Crawley, KPMG (External Audit)

### **0543. APOLOGIES**

Apologies for absence were received from Councillors J.A. Clifton, D. McGregor and K. Reid

### **0544. URGENT ITEMS OF BUSINESS**

There were no urgent items of business.

### **0545. DECLARATIONS OF INTEREST**

There were no declarations of interest.

### **0546. MINUTES – 21<sup>ST</sup> NOVEMBER 2017**

Moved by Councillor A.M. Syrett and seconded by Councillor M. Dooley  
**RESOLVED** that with the addition of R. Jaffray (Independent Member) being present, the minutes of a meeting of the Audit Committee held on 21<sup>st</sup> November 2017 be approved as a true and correct record.

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### **0547. REPORT OF THE EXTERNAL AUDITOR EXTERNAL AUDIT PLAN**

T. Crawley (KPMG) presented the report which contained details of the Audit Plan 2017/2018 prepared by KPMG.

The Audit Plan contained details of the financial statement audit, value for money (VFM) arrangements and risk assessments. Significant audit risks included valuation of Property, Plant and Equipment (PPE) and pension liability. Other areas of audit focus included the faster close of accounts, departure of Executive Directors and the Dragonfly Development Ltd joint venture with Woodhead Regeneration Ltd.

It was noted that further details on the areas of audit focus would be reported to Committee via a progress report.

Moved by Councillor A.M. Syrett and seconded by Councillor M. Dooley

**RESOLVED** that the report of the Council's External Auditors, KPMG, in respect of the external Audit Plan 2017/2018 be noted.

### **0548. REPORT OF THE INTERNAL AUDIT CONSORTIUM CIPFA FRAUD AND CORRUPTION TRACKER SURVEY 2017**

The Internal Audit Consortium Manager presented the report which gave details of the results of the CIPFA Fraud and Corruption Tracker (CFaCT) survey which provided a picture of fraudulent activity in local government.

The report also detailed the controls and procedures that the Council had in place to mitigate the risk of fraud.

Moved by Councillor S.W. Fritchley and seconded by Councillor M. Dooley

**RESOLVED** that (1) the results of the CIPFA Fraud and Corruption Tracker Survey be noted,

(2) the fraud prevention measures that the Council has in place, be noted.

### **0549. REPORT OF THE INTERNAL AUDIT CONSORTIUM NATIONAL FRAUD INITIATIVE 2016/17 – SUMMARY OF PROGRESS TO DATE**

The Internal Audit Consortium Manager presented the report which gave a summary of the results of the 2016/17 National Fraud Initiative (NFI) for Bolsover District Council to date.

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It was noted that following a data matching exercise 1835 potential fraud cases approximately 50% had been reviewed. No cases of fraud had been identified, but 6 errors had been found totalling £9,022.71.

Moved by Councillor S.W. Fritchley and seconded by Councillor A.M. Syrett  
**RESOLVED** that the report be noted.

### **0550. REPORT OF THE INTERNAL AUDIT CONSORTIUM SUMMARY OF PROGRESS ON THE 2017/18 INTERNAL AUDIT PLAN**

The Internal Audit Consortium Manager presented the report which gave Committee information on the progress made by the Audit Consortium in relation to the 2017/18 Internal Audit Plan. The report included a summary of Internal Audit Reports issued from the beginning of November 2017 to the beginning of January 2018.

It was noted that no fraud issues had been identified in respect of the areas reviewed and audits were currently in progress on Taxi Licensing, Debtors, Grounds Maintenance, Safeguarding and Housing Repairs.

Moved by Councillor M. Dooley and seconded by Councillor A.M. Syrett  
**RESOLVED** that the report be noted.

### **0551. CHANGE TO ORDER OF BUSINESS**

With the permission of the Chair the order of business was changed.

### **0552. REPORT OF THE ASSISTANT DIRECTOR – FINANCE AND REVENUES AND BENEFITS KEY ISSUES OF FINANCIAL GOVERNANCE**

The Assistant Director – Finance and Revenues & Benefits presented the report which tracked progress concerning the implementation of previous recommendations from both External and Internal Audit and informed Committee of the progress in addressing those recommendations.

It was noted that the Council was still on track to make a contribution to the reserves of £780,000 and that due to the shortened deadline for the completion of the Council's accounts, the finance department may find it difficult to provide support to other departments during April and May.

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Moved by Councillor A.M. Syrett and seconded by Councillor M. Dooley  
**RESOLVED** that the report be noted.

**0553. REPORT OF THE ASSISTANT DIRECTOR – FINANCE AND REVENUES & BENEFITS  
MEDIUM TERM FINANCIAL PLAN**

The Assistant Director – Finance and Revenues & Benefits circulated a document which gave details of the 2017/18 estimated budget outturn and the 2018/19 estimated budget.

The financial settlement had been received and the Council had been awarded the business rates pilot. The Council was still on track to make the £780,000 savings and there were projected savings for 2018/19.

It was hoped that the new Transformation Programme would add to the potential savings, but some items may need further investment.

Moved by Councillor A.M. Syrett and seconded by Councillor M. Dooley  
**RESOLVED** that the report be noted.

The meeting concluded at 1442 hours.