

## **AUDIT COMMITTEE**

Minutes of a meeting of the Audit Committee of the Bolsover District Council held in the Council Chamber on Tuesday 25<sup>th</sup> September 2018 at 1400 hours.

### **PRESENT:-**

Members:-

Councillor K. Reid in the Chair

Councillors D. McGregor, T. Munro, A.M. Syrett, B. Watson, D. Watson.

Officers:- S. Sternberg (Joint Head of Corporate Governance), D. Clarke (Head of Finance & Resources), J. Williams (Internal Audit Consortium Manager), J. Cooper (Auditor), M. Spotswood (Health and Safety Manager), I. Barber (Property Services Manager) and A. Bluff (Governance Officer).

Also in attendance at the meeting was R. Jaffray (Co-optee Member).

### **0307. APOLOGY**

An apology for absence was received on behalf of T. Crawley, KPMG (the Council's external auditors).

### **0308. URGENT ITEMS OF BUSINESS**

There were no urgent items of business to consider.

### **0309. DECLARATIONS OF INTEREST**

There were no declarations of interest made.

### **0310. MINUTES – 25<sup>TH</sup> JULY 2018**

Moved by Councillor D. McGregor and seconded by Councillor A. M. Syrett

**RESOLVED** that the Minutes of an Audit Committee meeting held on 25<sup>th</sup> July 2018 be approved as a correct record.

## **AUDIT COMMITTEE**

### **0311. REPORTS OF THE EXTERNAL AUDITOR (KPMG)**

#### **(A) Annual Audit Letter 2017/18**

Committee considered a report in relation to the Annual Audit Letter 2017/18, which had been prepared by KPMG, the Council's external auditors.

The Annual Audit Letter summarised the outcome of KPMG's audit work at the Council in relation to the 2017/18 audit year.

A copy of the Annual Audit Letter had previously been circulated to all Members and would be considered by full Council on 10th October 2018 and also placed on the Authority's public website.

The Head of Finance & Resources advised the meeting that there were no recommendations arising from KPMG's report. In addition, this would be KPMG's last Annual Audit Letter to the Authority and the Head of Finance & Resources relayed KPMG's thanks to officers and Members of the Audit Committee for their support throughout the six years of KPMG's audit appointment.

Members welcomed the report.

Moved by Councillor D. McGregor and seconded by Councillor T. Munro  
**RESOLVED** that the report be noted.

### **0312. REPORTS OF THE INTERNAL AUDIT CONSORTIUM MANAGER**

#### **(A) Summary of Progress on the 2018/19 Internal Audit Plan**

Committee considered a report which provided information regarding progress made by the Internal Audit Consortium in relation to the 2018/19 Internal Audit Plan.

A summary of reports issued between 10th July 2018 and 12th September 2018 was appended to the report. Ten reports had been issued; 7 with substantial assurance, 2 with reasonable assurance and 1 with limited assurance. It was confirmed that no issues relating to fraud had been identified in respect of the areas reviewed.

In respect of the limited assurance report, Members had previously received a copy of the report and this would be considered later on in the agenda.

The following audits were currently in progress;

- Non Domestic Rates
- Freedom Of Information / Environmental Regulations
- Pest Control
- Section 106
- The Tangent

Moved by Councillor D. McGregor and seconded by Councillor T. Munro  
**RESOLVED** that the report be noted.

## AUDIT COMMITTEE

### 0313. REPORT OF THE JOINT HEAD OF FINANCE AND RESOURCES

#### (A) Strategic Risk Register and Partnership Arrangements

Committee considered a report which provided an update to Members concerning the Council's Strategic Risk Register as at 30<sup>th</sup> June 2018. The Register was attached as an appendix to the report.

Under relevant good practice and to facilitate the development of robust managerial arrangements, the Council was required to prepare a Strategic Risk Register as part of its risk management framework.

Any comments submitted by Committee regarding the Register would be taken into account in developing both the Council's risk management reports and wider risk management arrangements.

The report would also be considered by Executive at its meeting on 8th October 2018.

A Member noted that a change in the wording to two of the paragraphs in relation to the Local Plan was required;

*..... Public consultation on the main document is due to take place in May 2018, with submission scheduled by the end of July.*

**The paragraph be changed to;**

*.... 'Public consultation on the main document **took place** in May 2018' ....'*  
**and**  
*'Successfully avoided Government intervention in the plan-making process and it is important that the revised timetable continues to be met'.*

**The paragraph be changed to;**

*'Successfully avoided Government intervention in the plan-making process and **the revised timetable has been met**'.*

Moved by Councillor T. Munro and seconded by Councillor D. McGregor

**RESOLVED** that subject to the change to the wording in the two paragraphs as stated above, the Council's Strategic Risk Register as at 30<sup>th</sup> June 2018 be noted.

(Head of Finance & Resources)

### 0314. REPORT OF THE PROPERTY SERVICES MANAGER

#### (A) Results of the Homes England Audit of B@Home Schemes

Committee considered a report which provided an update on the outcome of an audit by independent auditors, 4point2, of the Bohme schemes at Primrose Hill (former Blackwell Hotel) and Rogers Avenue, Creswell.

## **AUDIT COMMITTEE**

In order to comply with the grant conditions set out by Homes England (Formerly HCA) and to enable the Council to remain eligible for future funding, independent audits were required and reported at Audit Committee.

Two appendices attached to the report included a summary checklist which provided an overview of the audit recommendations and confirmed that no 'breaches' were identified during the audits.

Members welcomed the report.

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

### **0315. THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

Moved by Councillor T. Munro and seconded by Councillor D. McGregor  
**RESOLVED** that under Section 100(A)(4) of the Local Government Act 1972 (as amended), the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in the stated Paragraph of Part 1 of Schedule 12A of the Act and it is not in the public interest for that to be revealed.

### **0316. INTERNAL AUDIT REPORTS Exempt Paragraph 3**

Committee considered a report in respect of an internal audit review undertaken on the processes and controls regarding Health and Safety across the Council.

The conclusion of the audit was that the reliability of the controls was assessed as Limited. Further details were included in the report.

Members raised concern regarding the outcome of the audit.

The Head of Corporate Governance advised the meeting that an action plan had been put in place and three items/actions had been completed to date.

Members felt that the outcome of the audit had highlighted the culture across the Authority with regard to health and safety and this needed addressing. It was suggested that Heads of Service attend a future meeting to discuss this issue with the Committee.

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

The meeting concluded at 1430 hours.