

AUDIT COMMITTEE

Minutes of the meeting held on 10 January 2017 commencing at 7.00 pm

Present: Cllr. Grint (Chairman)

Cllrs. Clack, Edwards-Winsor, Halford, Layland, McArthur, Purves, Reay and Searles

Cllr. Scholey was also present.

The Chairman welcomed the new members of the Committee, Councillors Halford and Searles.

28. Minutes

Resolved: That the minutes of the meeting of the Audit Committee held on 27 September 2016 be agreed and signed as a correct record.

29. Declarations of Interest

There were none.

30. Actions from Previous Meeting

The actions from the previous meeting were noted.

31. Responses of the Council, Cabinet or Council Committees to the Committee's reports or recommendations

Cabinet's response (10 November 2016, [Minute 40](#)) to Minute 22 of the Minutes of the meeting held on 22 September 2016, was noted.

The Chief Finance Officer updated Members on the current situation. The Audit, Risk and Anti-Fraud Manager had been absent for a significant part of the last few months and managers at both Sevenoaks and Dartford were working closely with the Internal Audit Team to ensure that they received full support and that both Councils continued to have an adequate and effective Internal Audit service.

In the meantime Lisa Nyon, Principal Auditor, had stepped up into the Audit, Risk and Anti-Fraud Manager's role and was making good progress with the audit plan. The Chairman was being kept fully informed.

32. External Audit - Housing Benefit Subsidy 2015/16

The Chairman welcomed Sarah Ironmonger and Geoffrey Banister from Grant Thornton.

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The Chief Finance Officer advised that the external auditors were required to audit the Housing Benefit Subsidy each year and the report contained the outcome of the 2015/16 audit.

He reported that errors had been identified but as mentioned at previous meetings, any differences even for as little as £0.01 were classified as errors. He was pleased to report that due to improving working practices and ongoing liaison with Grant Thornton, the number of errors had remained much lower than a couple of years previously and officers would continue to work to reduce this further in the current year. The improvement was reflected in the reducing audit fees.

In response to questions, Sarah Ironmonger advised that for most local authorities it was usual to have errors, especially due to increased pressure and running with vacancies. Sevenoaks District Council (SDC) had invested time in good quality checks and monitoring and this along with increased efficiency with computerisation meant the trend here was good in comparison to some others.

Resolved: That the report be noted.

33. External Audit - Annual Audit Letter 2015/16

Geoffrey Banister from Grant Thornton summarised the key issues of the 2015/16 audit.

Members were pleased to see the work by the Chief Finance Officer and his team recognised

Resolved: That the report be noted.

34. Internal Audit 2016/17 - 2nd Progress Report

The Principal Auditor advised that the audit team continued to make good progress with the 2016/17 plan. Since the report some more progress had been made, with one audit now at feedback stage and three briefs issued bringing the total to 4, and those audits would be commencing that week. Seven audits were being deferred and for information she advised Members of the reasoning behind the ones which had been picked. A temporary auditor had been resourced to help deliver the audit plan, and for next year's audit planning she was looking at minimising days lost working on the previous year's plan.

A new audit software tool was being implemented and training for audit staff on 'Team Mate' had been arranged with a live date of 1 April 2017.

Resolved: That

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- a) the contents of the report and the progress made by the Internal Audit Team in delivering the 2016/17 Annual Internal Audit Plan, be noted;
- b) the amendments to the internal Audit Plan 2016/17, be approved.

35. Report on Internal Audit Recommendations Outstanding

The Principal Auditor presented the report which updated Members on the progress of the implementation of Internal Audit Recommendations agreed with management, and on outstanding recommendations due for implementation by 30 November 2016.

The report also informed the Committee where implementation dates had been revised, where agreed recommendations had not been implemented or were no longer intended.

Resolved: That

- a) Appendix A be noted; and
- b) the reasons for delayed implementation where the ranking was medium or high be noted, and the revised dates for implementation provided by management, as set out in Appendix B to the report, be endorsed.

36. Member training

The Chief Finance Officer advised that at the last meeting it had been requested that he and the Chairman look at the training options available and provide information to be considered at the meeting. They had concluded that CIPFA provided the most suitable training and the brochure was attached as Appendix A to the report.

Members discussed which possible topics they would like to prioritise subject to Dartford Borough Council Members' views.

Resolved: That, subject to views expressed by Dartford Borough Council,

- a) the preferred training options were:
 - case study using a standard internal audit report;
 - roles and responsibilities ;
 - risk management;
 - fraud and corruption.
- b) the preferred time was an evening training session in May 2017 prior to the next meeting in June 2017.

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37. Work Plan

The work plan was noted subject to the addition of a whistleblowing policy report to the next meeting.

THE MEETING WAS CONCLUDED AT 7.58 PM

CHAIRMAN