

AUDIT COMMITTEE

Minutes of the meeting held on 8 January 2019 commencing at 7.00 pm

Present: Cllr. Grint (Chairman)

Cllrs. Ball, Clack, Layland and Searles

Apologies for absence were received from Cllrs. McArthur and Purves

Cllr. Scholey was also present.

24. Minutes

Resolved: That the minutes of the meeting of the Audit Committee held on the 16 October 2018 be agreed and signed as a correct record.

25. Declarations of Interest

No additional declarations of interest were made.

26. Actions from Previous Meeting

The actions were noted.

27. Responses of the Council, Cabinet or Council Committees to the Committee's reports or recommendations (if any)

There were none.

28. Member Development - Assurance on Value for Money

At the meeting of the Audit Committee on 16 October 2018 it was agreed that a series of Member Development Briefings would be scheduled for the remaining 2018/19 meetings.

The Committee welcomed Sarah Ironmonger, the Engagement Lead and Sebastian Evans, the Audit Manager from the Council's External Auditors, Grant Thornton to the meeting. The representatives tabled a [document](#) for delivering a briefing session to the Committee covering Assurance on Value for Money. Members were invited to ask questions. It was advised that before giving an 'adverse' opinion the auditors would engage in conversation relating to the concerns. 'Except for' opinions would relate to singular areas for concern where all other functions were satisfactory. Value for Money assurance encompassed services the Council gave and received. Grant Thornton's feedback from Local Authorities had shown they would

Audit Committee - 8 January 2019

like issues to be raised early and have flexibility when deciding the scope of the audit. It was noted that any increase in scope may have cost implications.

Between reviews and reports Members were advised that Grant Thornton met quarterly with Officers and if significant issues were identified they would be brought to the attention of the Committee.

The Committee thanked Grant Thornton for providing the briefing.

29. External Audit - Annual Audit Letter 2017/18

The Grant Thornton Representatives summarised the key findings of the 2017/18 audit. The work carried out during the year consisted of audit of the accounts, Value for Money and the certification of the housing benefit grant claim. The Audit of the Accounts and Value for Money had also been presented to the Audit Committee on 19 July 2018.

Members were advised that the Pension Liability in the 2016 valuation had improved compared to the previous valuation. The next triannual valuation would take place in late 2019. Members raised concerns about the accuracy of valuations in a time of national uncertainty and were assured by Grant Thornton representatives that those issues would be considered when auditing the accounts.

Resolved: That the report be noted.

30. External Audit - Housing Benefit Subsidy 2017/18

Sarah Ironmonger and Sebastian Evans introduced a report on Housing Benefit Subsidy 2017/18. Grant Thornton, as the Council's external auditor, was required to certify certain grant claims submitted by the Council. Certification typically takes place six to nine months after the claim period and represents a final but important part of the process to confirm the Council's entitlement to funding.

Grant Thornton Representatives reported that errors had been identified in the 2017/18 return however the number continued to be small with a low monetary value. Members were advised that errors had been identified in 70 to 75% of all authorities for Housing Benefit Subsidy Claim forms. Second samples were tested for Incorrect Claimant Income and Overpayment Classification for Rent Allowances. Members requested more information on claimants who had been underpaid and were advised that for the cases identified the amount had been corrected.

The audit fee for grant claims in 2017/18 was £13,250 which was lower than the previous years.

Resolved: That the report be noted.

31. Internal Audit Progress Report

The Interim Audit Manager introduced the report which set out the progress made by the Internal Audit Team in completing the 2018/19 Audit Plan. Members were

Audit Committee - 8 January 2019

advised that the Interim Audit Manager's appointment had been extended from the end of January to the end of March.

Members considered the Audit work completed and it was noted that completion of the 2018/19 Audit Plan was on schedule. The Interim Audit Manager reminded Members of the restructuring of reports following the October 2018 Audit Committee which aimed to provide full reports with details on each of the summaries.

It was noted that since the publication of the agenda, the completed audit projects 'Community Infrastructure Levy' and 'Paypal - Data Analysis' had been finalised and of the audit projects awaiting completion, 'Council Tax Mapping' (shared) and 'Markets' had progressed to feedback stage.

The backlog of food inspections within Environmental Health was said to be related to a high volume of work due to inspections being required for all new premises and changes of management. Members raised questions on the high priority Print Studio recommendation which had been an agreed deferral. It was advised that its continued deferral had been agreed by management and compensatory controls had been put in place until the recommendation could be carried out. Concern was expressed on repeat deferrals of high and medium risk recommendations.

Action 1: That the Interim Audit Manager include information and details of the recommendation on the specific risks ranked Medium or higher.

Members wished to congratulate the Interim Audit Manager on his extended appointment and were pleased with the recent improvements to the shared service.

Resolved: That the Internal Audit Progress Report be noted.

32. Work Plan

It was noted that the Revised Internal Audit Charter would be considered at the Committee meeting on 28 March 2019.

THE MEETING WAS CONCLUDED AT 8.19 PM

CHAIRMAN