



Audit Agenda

Wednesday 21 September 2016 at 7.30 pm

DBC Bulbourne Room - Civic Centre

The Councillors listed below are requested to attend the above meeting, on the day and at the time and place stated, to consider the business set out in this agenda.

Membership

Councillor Barnes
Councillor Brown
Councillor Douris

Councillor Taylor (Chairman)
Councillor Tindall
Councillor W Wyatt-Lowe

Substitute Members:

Councillors G Adshead, Anderson, Link and Ransley

For further information, please contact J Doyle or (228222)

AGENDA

3. MINUTES AND ACTIONS (Pages 2 - 5)

To confirm the minutes of the previous meeting and consider the actions.

Agenda Item 3

DACORUM BOROUGH COUNCIL

AUDIT COMMITTEE MINUTES

27 JULY 2016

Present:

Councillors: Taylor (Chairman) Tindall
Brown W Wyatt-Lowe
Douris

Officers: J Deane Corporate Director (Finance & Operations)
D Skinner Assistant Director (Finance & Resources)
R Smyth Assistant Director (Performance & Projects)
R Baker Group Manager – Financial Services
I Aisu Accountant
J Doyle Group Manager - Democratic Services

Others: A Brittain EY LLP
M Clarkson MAZARS
H Ormston EY LLP

The meeting began at 7.30 pm

105 APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillor Barnes and Councillor Elliot, Portfolio Holder for Finance & Resources.

106. DECLARATIONS OF INTEREST

There were no declarations of interest.

107. MINUTES AND ACTIONS (Agenda Item 3)

The minutes of the meeting held on 29 June 2016 were agreed by the members present and signed by the Chairman.

There were no outstanding actions to discuss.

108. PUBLIC PARTICIPATION (Agenda Item 4)

None.

109. STRATEGIC RISK REGISTER (ITEM 4b)

R Smyth, Assistant Director (Performance & Projects) attended the meeting and briefed the committee on various aspects of Risk R5 and the Council's adoption and use of Social

Media. He stressed that these days it is essential for an organisation like Dacorum Borough Council to adopt a significant social media profile; however there are risks involved in doing so.

To mitigate some of the risk DBC uses software called 'crowd control' which monitors and manages the social media output across the organization. At the moment we have 18 accounts which users are permitted to submit to only if the account has been run without incident for 6 months. For example the CSU staff can only post after 6 months vetting as they use social media.

DBC monitor negative comments through the Communications Team who operate a rota to ensure that someone is always monitoring.

He went on to give the committee some statistics on social media use at the council, which is managed very tightly:

- total twitter reach of 2 million at last count;
- 230 direct messages
- 8,000 followers in last quarter

Councillor W Wyatt-Lowe (WWL) – asked if there was a danger that we could become over reliant on the 'automated' crowd control. He added that he would be keen to see the facility made available to activities such as Community matters.

R Smyth responded that 'crowd control' is extremely good for filtering and managing the social media approach - It is particularly useful for monitoring what is posted and what happens to it. He added that DBC have set up an 'Instagram' account so we can post videos and this service would be of use to groups such as community matters.

Councillor Tindall asked if it was correct that 'crowd control' monitors but it doesn't stop the wrong sort of messaging. R Smyth however assured the committee that the software will monitor and intercept or stop inappropriate language appearing on our sites.

C Brown enquired if 'Linked-in' accounts were monitored by the software. R Smyth admitted this media was not one we participated in as a council and it was not currently monitored.

Councillor Douris enquired if adopting a social media approach meant that DBC is could become too reliant on technology, ignoring the 28% of residents who do not use these methods.

R Smyth responded that the trend is towards increased use of such methods as it is relatively cheap and effective and we are always looking at different ways of contacting all residents and public. He assured the committee that DBC endeavors to strike the balance between the global reach of social media and the other alternative Medias.

Cllr Douris responded that the danger could be that we may be ignoring a part of our wider population so would like to know the age ranges of those using social media.

Cllr WWL returned to the issue of those unfairly criticising the council using these media. He was anxious to know what are we doing about monitoring the false or derogatory and how do we correct this.

R Smyth assured the group that the Communications team continually monitor traffic and if anything negative appears then it is highlighted, reacted to and a correction considered.

He stressed that a balanced approach is what is required - DBC always try to engage without fanning the flames.

Cllr WWL asked if all employees know to whom to report an offence and was told that they are advised to alert Communications.

Cllr Douris returned to the issue of 'keyboard warriors' and how we would respond? R Smyth reiterated that the traffic would be monitored and the appropriate action taken without fanning the flame.

Outcome:

That the briefing from R Smyth, Assistant Director (Performance & Projects) be noted and the committee seek further assurance where required.

110. STATEMENT OF ACCOUNTS (ITEM 5)

J Deane, Corporate Director (Finance & Operations) introduced this item which followed on from the last meeting and gave the committee the opportunity to comment further on the Council's final accounts.

The report appears in order to seek member approval to the sign off of the accounts and highlights that there are no material changes. As a final, formal step the Letter of Recommendation will be signed off later in the week.

Councillor Tindall sought some clarification on the 17 pieces of artwork referred to page 97 for which we appear to have no value. His concern was that this meant they are not properly insured?

Councillors Douris and W Wyatt-Lowe sought clarification on three pieces of land identified as inherited assets which have changed in value. Cllr Douris was concerned that this increase in value could decrease over future years!

R Baker, Group Manager for Financial Services identified the pieces of land in question and added that the the bulk of the value is the land asset. A Brittain, EY LLP added that the land is unlikely to reduce in value it is more that the method of valuation has changed.

Resolved :

1. That the Statement of Accounts 2015/16, having been reviewed and the appropriate assurances given, are approved by the Audit committee on behalf of the Council.
2. That the Annual Governance Statement be approved.

111. ANNUAL AUDIT RESULTS (ITEM 6)

A Brittain, EY LLP presented the final report including work being done right up to this evening's meeting and he went through any changes from the draft.

He advised that he anticipated that the final signing will happen on the 29th July as the public's opportunity for representation and examination are open until that date.

He advised that the Auditors plan to issue an unqualified statement including an 'unqualified' in terms of Value For Money.

He expressed his thanks to the Finance team at the Council for their collaboration – with a special mention for R Baker and I Aisu.

He spoke a little on the delivering VFM conclusion which included a thorough risk assessment up front ensuring any identified risk will be examined.

He pointed out that the high standard of the accounts and their early production had contributed to a reduced Audit fee - scale fee 25% reduction on last year

Councillor Douris thanked the auditors for developing the good relationship with DBC which has worked well for us all

Councillor Taylor, Chairman, praised the tremendous collaborative effort from DBC officers, Internal Audit , External Auditors and Councillors which contributes to a successful Audit.

Outcome:

That subject to any last minute changes from the auditors the final audit be signed off on 29 July 2016.

112. INTERNAL AUDIT PROGRESS REPORT (ITEM 7)

M Clarkson took the committee through his report.

He advised that there were no 'Priority 1' recommendations to consider since the last meeting and that Appendix 1 of his report profiles the work carried out to date.

Outcome:

That the Internal Audit progress report be noted.

113. WORK PROGRAMME 2016/17 (ITEM 8)

There were no amendments made to the work programme.

Councillor Tindall pointed out that as the effects of the autumn statement become known around the end of the year he would expect a report on changes to business rates to be made available for consideration at one of the two joint budget scrutiny committees.

The meeting ended at 20.47.