

# Audit Agenda



**Wednesday 22 November 2017 at 7.30 pm**

## **Conference Room 2 - The Forum**

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 Brown  
Councillor Douris  
Councillor McLean

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

### Substitute Members:

Councillors G Adshead, Anderson, England, Link and Ransley

For further information, please contact Jim Doyle or

## **AGENDA**

(c) DRAFT Minutes - 22-11-17 (Pages 2 - 4)

# Agenda Item 3c

## DACORUM BOROUGH COUNCIL

### AUDIT COMMITTEE MINUTES

**22 NOVEMBER 2017**

**Present:**

**Councillors:** Taylor (Chairman) McLean  
Brown Tindall  
Douris

**Officers:** J Deane Corporate Director – Finance & Operations  
D Skinner Assistant Director (Finance & Resources)  
J Doyle Group Manager - Democratic Services

Also Attended: Councillor G Elliot, Portfolio Holder for Finance & Resources

**Others:** S Knowles Mazars  
A Conlan Grant Thornton

The meeting began at 7.30 pm

#### **16 APOLOGY FOR ABSENCE**

An apology for absence was submitted on behalf of Councillor W Wyatt-Lowe.

#### **17. DECLARATIONS OF INTEREST**

There were no declarations of interest.

#### **18. MINUTES AND ACTIONS (Agenda Item 3)**

The minutes of the meeting held on 20 September 2017 were agreed by the members present and signed by the Chairman.

On minute No.12, Strategic Risk Register, Councillor Douris returned to the format of the Risk Register and the difficulties councillors experience trying to identify the changes in subsequent versions. There followed a short discussion on alternative methods of presenting the information. J Deane, Corporate Director (Finance and Operations) (JD) explained that the current format was developed under audit guidelines to satisfy the auditors, who need to be assured that the full register is considered regularly by councillors. To this end any changes are highlighted in the actual report and explanations of changes can be found in the narrative accompanying the scores. Cllr Tindal suggested that the register include a small date to indicate when the change occurred and Cllr Douris suggested that a further note could appear in the sign-off.

#### **19. PUBLIC PARTICIPATION (Agenda Item 4)**

None.

## **20. STRATEGIC RISK REGISTER (Agenda Item 5)**

J Deane introduced the item with Councillor Taylor adding that this item is another example of the input from D Skinner whose last meeting this is. On behalf of everyone he asked that we record sincere thanks for everything he has done.

Cllr Tindal requested that the local area board for supported housing, which we should soon sign up to, be included in our list of consultees.

Cllr Douris moved on to R5 and in particular the use of social media and the DBC website. He questioned the low number of outgoing messages being produced and suggested this is evidence of the website not being used effectively. He gave the example of information highlighting the switching on of christmas lights not being on the website. He requested that Rob Smyth (Assistant Director Performance, People and Innovation) be invited to a future meeting to explain the Communication strategy-and use of social media.

Cllr McLean drew attention to the notes regarding responses to the Grenfell tragedy and the steps taken to ensure Dacorum buildings are safe regarding cladding. He suggested that the situation should be regularly reviewed and that DBC should have some sort of annual authentication scheme which ensures that our housing and suppliers are complying with the law. JD responded that he is not convinced that DBC have the powers to ensure that providers are compliant. DBC can ensure that our own Housing complies but not private properties. Cllr Tindall was of the opinion that DBC Environmental Health would have the authority to monitor and advise private landlords and Housing Associations. He suggested an annual seminar be arranged to guide property owners.

Cllr Douris felt that the responsibility for Grenfell lay with the council but that in DBC's case many properties are the responsibility of Housing Associations.

For clarification Cllr Taylor asked the auditors if a Housing Association's audit would include an examination of their Risk Registers. S Knowles was of the opinion that where an auditor supported a Housing Association they would undoubtedly examine the risks for the Housing Assoc.

Cllr Taylor drew attention to Risk C6 and the retention of skill sets, pointing out that he is aware that four skilled people have recently left Building Control.

He moved on to the mention of the new General Data Protection Rules coming into force in 2018 and informed the meeting that a briefing will be arranged to outline and explain these to councillors.

## **21. ANNUAL AUDIT LETTER 2016/17 (Agenda Items 6 and 7)**

A Conlon (AC) of Grant Thornton introduced the Annual Audit letter which summarises their findings for the year 2016.

Cllr Tindall drew attention to the bringing forward by two months of the statutory deadline and asked if this caused difficulties or engendered more costs. A Conlon was able to assure the councillor that while it increased the pressure of work it does not increase costs. D Skinner added that those involved had discussed resourcing issues earlier in the week; the pressure points have been identified from last year, and so DBC should achieve the deadline next year.

Cllr Douris asked if the independent review of fire safety regulations could have an impact. AC simply pointed out that if the regulations change DBC will be obliged to implement them, no matter the cost.

Cllr Taylor asked if the fees for the audit were likely to change and was assured that they are set centrally and will not change.

## **22. INTERNAL AUDIT PROGRESS REPORT (Agenda Item 8)**

The committee considered the report from the Internal Auditor, Mazars - SK updating them on progress with the audits being carried out; and the management responses, including recommendations made by the auditors implemented; as set out in pages 4 and 5 of the report to the Audit committee.

SK went on to cover the table setting out the audit progress to date: 5 audits are in progress at the moment and will be reported as the year progresses. They are on track as far as the audit plan is concerned. She concluded that 45 of the 48 recommendations made have been progressed.

The committee then considered the Mazars report on the audit of **Information Governance**. (Evaluation assurance: **Full**. Testing assurance: **Substantial**)

The report resulted in one Priority 2 recommendation and one Priority 3 recommendation.

Cllr Douris expressed some surprise that the requirements for handling FOI enquiries have not altered since 2006 and asked if our procedures are out of date. JD explained that the process we use is still relevant and up to date.

Resolved:

That the report and the opinions/recommendations of Internal Audit are noted.

## **23. INTERNAL AUDIT CONTRACT (Agenda Item 9)**

The committee considered the verbal report regarding the provision of Internal Audit. S Knowles of Mazars updating them on current progress and future options.

D Skinner advised the committee that officers are looking at the current Internal Audit contract and based on an assessment of performance against an agreed set of criteria they will be drafting a further extension which it is hoped will ensure consistency and continuation.

## **24. AUDIT COMMITTEE WORK PROGRAMME (Agenda Item 10)**

The committee considered the work programme for 2017/18.

It was pointed out that there is a substantial agenda for the meeting in February 2018. All of the reports are on track.

The Internal Audit Plan for 2018/19 is scheduled to come to the March meeting.

Resolved:

That, with the above addition, the work programme be noted.

The meeting ended at 20.23 pm