

## Audit Committee

Wednesday, 18th September, 2019

6.00 - 6.35 pm

Attendees	
<b>Councillors:</b>	Steve Harvey (Chair), David Willingham (Vice-Chair), Victoria Atherstone, Jonny Brownstein, Jo Stafford and Tony Oliver
<b>Also in attendance:</b>	Lucy Cater (Assistant Director of the SWAP), Emma Cathcart (Counter Fraud Manager), Paul Jones (Executive Director of Finance and Assets), Andrew Knott (Deputy Section 151 Officer) and Barrie Morris (Grant Thornton)

### Minutes

**1. APOLOGIES**

No apologies were received.

**2. DECLARATIONS OF INTEREST**

No interests were declared.

**3. MINUTES OF THE LAST MEETING**

The minutes of the last meeting had been circulated with the agenda.

A member asked that the minutes of item 6 (Audit Highlights memorandum ISA260) be amended to include a request for details of progress in relation to the formal lease between Ubcio and CBC in relation to recycling and refuse vehicles. This amendment was agreed.

Upon a vote it was unanimously

**RESOLVED that the minutes of the meeting held on the 24 July 2019, as amended, be agreed and signed as an accurate record.**

**4. PUBLIC QUESTIONS**

None were received.

**5. INTERNAL AUDIT MONITORING REPORT**

The Assistant Director of SWAP Internal Audit Services (SWAP) introduced the Internal Audit Monitoring Report, which was a quarterly report designed to give updates and assurances on the control environment and outlined progress against the 2019-20 plan. The Assistant Director highlighted that the executive summary had been amended to include details of high priority recommendations. It was also noted that since publication, the HR report had been finalised and would be summarised at the next meeting. The Executive Director of Finance and Assets advised members that the audit on Business Rates Reset had been deferred and the changes to the scheme will now not be implemented until 2021.

The Assistant Director gave the following responses to member questions:

- There were procedures in place whereby leavers email accounts were closed.
- The operational audit of 'Planning Process and Complaints Procedure' related specifically to a complaint, the audit of Planning Applications is to be undertaken later in the year.

There were no further comments or questions.

**RESOLVED that the monitoring report be note.**

**6. COUNTER FRAUD UPDATE AND FUTURE WORK PROVISION**

Emma Cathcart, Counter Fraud Manager, introduced the counter fraud update as circulated with the agenda, which provided an overview of the operational activity undertaken from the period of April 2019 to August 2019. This included: a review of empty residential properties, which supported the work of the Council's Revenues Team to manage empty properties and maximise the tax base and new homes bonus, and; areas of work with CBH which had resulted in highly successful loss avoidance. The Counter Fraud Manager also noted that a number of policies had been refreshed; the anti-fraud and corruption policy had been changed so minimally that it had simply been published on the website, but the RIPA policy had been revised completely and was currently with One Legal for comment, with a view to tabling the revised policy with the committee in January. It was unlikely that the Social Media Policy would come to the committee before April as it required a number of management decisions. For clarification she explained that a policy was in place and aimed to limit the extent to which someone could check social media accounts (i.e. Facebook pages).

The following responses were offered to Members questions:

- A request had been made that the recent 'Serious Organised Crime' seminar include assurances to members, that checklists were already in place (at the council) to identify associated risks, and she could only apologise that the session did not cover this in more detail. A review of procurement checklists was currently underway and Licensing procedures would be reviewed once this work had concluded.

Upon a vote it was unanimously

**RESOLVED that the report be noted.**

**7. ANNUAL AUDIT LETTER**

Barrie Morris introduced the Annual Audit Letter 2018-19, as circulated with the agenda. The letter summarised key findings from the work that had been undertaken for the year ended 31 March 2019, all of which had already been communicated to the committee.

A member referenced the briefing note which had been circulated with the agenda, in relation to a formal lease between CBC and Ubico. Barrie Morris confirmed that if ~~with~~ a formal lease was now in place, Grant Thornton would be

satisfied that the request had been met. This would be confirmed as part of the 2019-20 audit.

The Chairman reminded members of the request he made at the last meeting, in terms of a press release on the positive audit findings from Grant Thornton. The Executive Director of Finance and Assets confirmed that the local press had been approached about this and had not considered it newsworthy. It had however, been publicised on the website and he suggested that members may wish to use their social media platforms to publicise the matter. The Chairman was keen that the successes of the council, and by the same token, the Officers involved, be broadcast more widely and had therefore agreed to produce a briefing note for the upcoming council meeting (14 October).

The Executive Director of Finance and Assets took the opportunity to introduce Andrew Knott, the councils Deputy Section 151 Officer; as he could be called upon to cover meetings of this committee from time to time. Andrew Knott introduced himself as the Chief Accountant at Publica and explained that in his role he supported Forest of Dean as well as CBC. He assured members that he and his team had already been passed thanks for their hard work, but he would be happy to echo the comments of the committee to his team.

No decision was required.

**8. WORK PROGRAMME**

The work programme had been circulated with the agenda.

No amendments were raised.

**9. ANY OTHER ITEM THE CHAIRMAN DETERMINES TO BE URGENT AND REQUIRES A DECISION**

There were no urgent items requiring a decision, however, a member queried the decision taken by Gloucestershire County Council to decarbonise their pension assets, and whether CBC could do the same and if so, what risks this would pose. The Executive Director of Finance and Assets confirmed that CBC were members of the Gloucestershire LGPS but stressed that the scheme was administered by GCC on our behalf. Therefore, any decision by GCC to decarbonise their pension assets, would benefit CBC. Whilst he couldn't say that the council had no exposure to fossil fuel investments, BP for example, he was able to confirm that the council had chosen to diversify their investments. He suggested that any member interested in knowing more about ethical investments, should attend the upcoming meeting of the Treasury Management Panel, where they were going to be considering this very issue.

A member noted that a recent article in the Financial Times had suggested that fossil fuel divestment had far less impact than investment in green technologies; seen as a positive action rather than a negative reaction.

**10. DATE OF NEXT MEETING**

The next meeting was scheduled for 22 January 2020.

Steve Harvey  
**Chairman**