

Time Commenced: 10.00am  
Time Ended: 12.02pm

**AUDIT AND ACCOUNTS COMMITTEE**  
**28 November 2017**

Present: Councillor Hezelgrave (Chair)  
Councillors Care, Grimadell, Roulstone, Turner, Willoughby and Winter

In attendance: Janie Berry – Director of Governance and Monitoring Officer  
Jill Craig – Interim Director – IT, Information and Customer Management  
Jacinta Fru – Audit Manager  
Helen Henshaw and Steve Clark – Ernst and Young  
John Massey – Head of Benefits and Exchequer Service  
Lynn Parkin – Principal Auditor  
Mark Taylor – Interim Director of Finance, Section 151 Officer  
Paul Robinson – Chief Executive  
Andy Smith – Strategic Director of People Service  
Richard Boneham – Head of Governance & Assurance

**34/17 Apologies for Absence**

Apologies for absence were received from Councillors Ashburner, Eldret and Jackson.

**35/17 Late Items**

There were no late items received.

**36/17 Declarations of Interest**

There were no declarations of interest.

**37/17 Minutes of the meeting held on 28 November 2017**

The minutes of the meeting held on 28 November 2017 were agreed as a correct record subject to the following amendment.

That Jacinta Fru – Audit Manager was in attendance at the meeting.

**38/17 Annual Audit Letter for the Year Ended 31 March 2016**

The Committee received a report of Interim Director of Finance on Annual Audit Letter for the Year Ended 31 March 2016. The report was presented by Helen Henshaw and Steve Clark – Ernst and Young.

Members considered the Annual Audit Letter in respect of the 2015/16 financial year issued by Ernst and Young on 26 September 2017.

The Committee wished its thanks to Helen Henshaw and Steve Clark for all of their work, to be noted.

**Resolved:**

- 1. to note the contents of the letter; and**
- 2. to thank Helen Henshaw and Steve Clark – Ernst and Young for all of their work.**

## **39/17 Counter-Fraud Team Update**

The Committee received a report of the Interim Director of Finance on Counter Fraud Team Update. The report was presented by the Head of Benefits and Exchequer Service.

It was reported that the Council had a zero tolerance to fraud. It was noted that the report highlighted the work undertaken by the Council's Counter Fraud Team to prevent, detect, investigate and raise general awareness of fraud across the Council.

It was reported that the Counter Fraud Team had been established since January 2017 and comprised of three Corporate Fraud Investigators and a manager. It was also reported that the team was set up in partnership with South Derbyshire District Council who paid for one of the Corporate Fraud Investigators and a percentage of the manager's salary.

It was noted that the main work themes undertaken by the Counter Fraud Team to date included:

- raising fraud awareness;
- preventing fraud;
- detecting and investigating fraud; and
- understanding emerging fraud risks.

It was also noted that the report reflected the National Fraud Initiative savings detailed by the Head of Audit Partnership to the committee on 31 October 2017 as this was work undertaken by the Counter Fraud Team.

The Committee wished it to be noted that it commended the work of the fraud team.

**Resolved:**

- 1. to note the contents of the report; and**
- 2. to commend the work of the Counter Fraud Team.**

## **40/17      Reporting of Waivers**

The Committee received a report of the Interim Director of Finance on Reporting of Waivers.

It was reported that there had been a total of 24 waivers in the period from 1 July 2017 to 30 October 2017. These were broken down by directorate within the report. It was also reported that 12 of these waivers were unavoidable.

Members considered departmental waivers (less than £25,000) and urgent waivers (above £25,000).

**Resolved to note the contents of the report.**

## **41/17      Information Assurance Update**

The Committee received a report of the Interim Director of IT Services on Information Assurance Update.

Members of the Committee were provided with an update on information management arrangements across the Council.

It was reported that the adoption of a sign off process, in relation to Freedom of Information (FOI) requests, had adversely affected the Council's ability to meet the FOI Act Statutory 20 working day response deadline.

Members considered information security, the forthcoming new General Data Protection Regulations (GDPR) and the strengthening of the Council's IG Team, including the appointment of a Head of Information and an Information Security Officer.

**Resolved to note the report.**

## **42/17      Anti-Fraud and Corruption Policy, Anti-Money Laundering Policy, Anti-Bribery Policy and Whistleblowing Policy**

The Committee received four reports of the Head of the Audit Partnership on Anti-Fraud and Corruption Policy, Anti-Money Laundering Policy, Anti-Bribery Policy and Whistleblowing Policy.

Members considered the updated documents.

Members discussed how the policies applied to Elected Members. It was agreed that any mention of 'officer', within all of the policy documents under consideration, should be replaced with 'Councillors and staff'.

**Resolved:**

- 1. to approve the updated Anti-Fraud and Corruption Policy document;**
- 2. to approve the updated Anti-Money Laundering Policy document;**
- 3. to approve the updated Anti-Bribery Policy document;**
- 4. to approve the updated Whistleblowing Policy document; and**
- 5. to agreed that any mention of 'officer', within all of the policy documents, should be replaced with 'Councillors and staff'.**

## **43/17      Draft Annual Governance Statement 2016/17**

The Committee received a report of the Chief Executive on Draft Annual Governance Statement 2016/17. The report was presented by the Director of Governance.

It was reported that the production and publication of an Annual Governance Statement was a statutory requirement and that the final version of the Annual Governance Statement 2015/2016 was approved by the Audit and Accounts Committee in September 2017. Members noted that the 2015/2016 report included details pertinent to the Annual Governance Statement 2016/2017 and had therefore informed content of the draft version.

It was reported that the 2016/17 Statement reflected the on-going work within the Council to improve its governance framework.

It was also reported that the draft statement had been circulated to the Committee prior to the meeting.

Members were provided with an opportunity to review and comment upon the draft Annual Governance Statement 2016/17.

**Resolved to note that the Annual Governance Statement 2015/2016 approved by the Audit and Accounts Committee in September 2017 includes details pertinent to the Annual Governance Statement 2016/2017.**

## **44/17      Section 24 Recommendations - Update**

The Committee received a report of the Interim Director of Finance on Section 24

Recommendations.

Members were provided with an update of progress made in resolving the matters raised within the S.24 Recommendations, issued by Ernst and Young in July, by the Section 151 Officer.

It was reported that the Statement of Accounts 16/17 were still on track to be signed off at the next meeting of the Audit and Accounts Committee on 19 December 2017.

Members discussed the External Audit Action Plan. It was noted that any outstanding actions would ultimately be brought within the Corporate Improvement Plan.

**Resolved to note the progress made.**

## **45/17      Work Programme**

The Committee received a report of the Chief Executive on Work Programme.

Members were provided with an opportunity to consider the items on the work programme for the 2017/18 municipal year. Members also noted primary activities earmarked for the 2018/19 municipal year.

**Resolved to note the report.**

MINUTES END