

AUDIT SUB-COMMITTEE

Minutes of the meeting held at 7.00 pm on 14 November 2018

Present:

Councillor Neil Reddin FCCA (Chairman)
Councillor William Huntington-Thresher (Vice-Chairman)
Councillors Gareth Allatt, Ian Dunn, Robert Evans,
Charles Joel and Tony Owen

Also Present:

Deepali Choudhary, Barrie Cull, Catriona Ellis, David Hogan, Stephen John, Charles Oseghare, Linda Pilkington, Tricia Wennell, Councillor Angela Wilkins and Stephen Wood

15 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

No apologies were received.

16 DECLARATIONS OF INTEREST

The Chairman declared an interest as a former Governor of St Olave's School.

Councillor Allatt declared an interest in that his daughter worked for KPMG.

17 CONFIRMATION OF THE MINUTES OF THE MEETING HELD ON 24th MAY-- EXCLUDING EXEMPT INFORMATION

The minutes of the meeting held on 24th May 2018 were agreed and signed as a correct record.

18 QUESTIONS FROM COUNCILLORS OR MEMBERS OF THE PUBLIC

No questions had been received.

19 MATTERS OUTSTANDING FROM THE LAST MEETING-- EXCLUDING EXEMPT INFORMATION

CSD 18154

Members were briefed concerning the matters arising from previous meetings.

Members noted that two issues raised in the November 2017 meeting were still ongoing; these were the issues concerning an insurance policy to insure against the effects of cyber-attack, and the outstanding matter of the objection to the accounts. It was expected that there would be an Insurance tender process initiated early in the New Year which would consider options available for cyber-insurance. A Member queried how value for money for cyber insurance could be evaluated. The Head of Audit responded that it would depend on what was covered, but a judgement would need to be undertaken. It was asked if Councillor Onslow was consulted concerning insurance matters and the answer to this was affirmative

Two matters had been raised at the meeting in May 2018, which were the appointment of consultants to oversee the Civic Centre Accommodation Strategy, and also the amount of storage at the TNT storage depot. Both of these matters were ongoing.

Members noted the update concerning the clarification of gross and net risk scores, and this matter was now closed.

A Member referred to page 3 of the minutes and the reference to agency staff engaged for more than 6 months. It was queried if this process was continuing. Internal Audit confirmed that the recommendation was still outstanding. In some cases agency staff had been employed for a year or more. This situation would continue to be monitored as it was a P1 recommendation. The issue was also going to be looked at by the CLT (Corporate Leadership Team). A Member asked who made the final decision with respect to agency staff. This was the Director of HR. Assurance was provided that the issue would be monitored and Members would be updated at the next Audit Sub-Committee meeting.

Members noted page 4 of the minutes and the previous comments made by Councillors Allatt and Owen. It was asked what would happen as a result of the comments made. It was confirmed that the comments would be fed back to officers.

RESOLVED that the Matters Arising Report be noted.

20 QUESTIONS ON THE AUDIT REPORTS PUBLISHED ON THE WEB

No questions had been received regarding the Audit reports that had been published on the web.

21 INTERNAL AUDIT PROGRESS REPORT

FSD 18083

The Part 1 Internal Audit Progress Report was written by David Hogan, Head of Audit.

The report was written to inform Members of recent audit activity across the Council, and provided an update on issues that had arisen at the previous meeting.

Members were updated concerning the **Audit of Contract Management for Adult Mental Health** that had taken place previously. It was noted that the audit opinion was Limited and the five priority one recommendations were noted.

Five months subsequently, a follow up of Adult Mental Health was undertaken, and the progress on implementing five Priority 1 recommendations was reviewed.

In the previous audit it was pointed out that there had been no change in the contract for 14 years and no evidence of any change controls. It was noted that the current contract would either be terminated or formalised as a partnership agreement, or would continue as it was with the implementation of change controls to support any variations to the contract. The P1 recommendation remained open.

The Adult Mental Health Audit had identified that the performance measures in the agreement were obsolete and that no defined monitoring agreements were in place. It was also the case that a Mental Health Board was not in place and no reviews had been undertaken.

The follow up revealed that the agreement was going to be updated, with new KPI's. Feedback was required from Oxleas. Members were pleased to note that the CCG Monitoring Board now met monthly and would be reviewing the Section 31 agreement regularly. It was also the case that a dedicated monitoring meeting led by LBB and chaired by the Director for Adult Social Care would be commencing in November 2018. The recommendation for Performance Measure and Monitoring would however, remain open.

The previous audit had also shown that roles and responsibilities were not clearly defined. These issues had now been resolved and so the previous P1 recommendation was closed.

The Adult Mental Health Audit had also shown deficiencies in the amount of time taken to complete service agreement reviews. Members were pleased to note that significant improvements had been made in dealing with the backlog of reviews and with completing new reviews on time. For this reason the P1 recommendation had been changed to partially implemented. As soon as Oxleas could evidence that the reviews for new starters were being reviewed within the target time of six months, then the status of the recommendation would be changed to fully implemented.

The Head of Audit commented that much hard work had been done over the summer period, new appointments had been made and outstanding reviews had now been completed. Some improvements were dependent on responses from Oxleas.

The Director of Adult Social Care attended the meeting and apologised for the problems that had been identified by Internal Audit. He said that some of the difficulties that had been experienced had been caused by staffing issues and by conflicting priorities. He was grateful for the work undertaken by Internal Audit in setting standards and focus. The Division was now working more closely with CLT, Audit, Internal Commissioning and other partners. The Director had now set up monthly review meetings.

The Chairman asked what performance management had been undertaken previously. The Director responded that previously nothing was in place to monitor the strategic section 31 agenda—however, operational management was in place and the Director was in close contact with the Head of Social Care at Oxleas, and discussions would take place regarding statutory issues and possible detentions.

The Chairman asked if any of this would be reported back to the relevant PDS Committee and the response was 'no'. The Director stated that it was now the case that more robust processes were in place, and that the relationship with Oxleas had improved. An explanation was then provided to explain the differences between Section 31 and Section 75 agreements. The Vice Chairman asked if these agreements would show in the Contracts Register Database and the answer to this was affirmative. It was also the case that they would flag up on the CDB going forward if necessary.

A Member asked how it was possible for such a mess to occur with respect to the post of the Business Support Officer (BSO)—given the significance of the contract. The Director responded that LBB used Carefirst as its database, and Oxleas used RIO. The previous BSO had been well embedded and it seemed to be the case that feedback from RIO was not always fed back directly into the Carefirst database by the BSO. Sometimes communication was by word of mouth or letter. When the BSO left, it was the case that not only did the BSO leave, but the procedures did as well. Lessons had been learned from this. It was realised that a full time person was required that could sit in on the Peer Review Group chaired by the Director. The practice had now been revised so that information would be transferred directly to Carefirst.

A comment was made about Carefirst not being fit for purpose and so because of this the Executive had agreed that a new system be developed. The Director expressed the view that the main problem had been with the input of data onto Carefirst and with the subsequent interpretation of data by the Performance Management Team.

A Member asked if the new system being developed by for LBB would be able to 'talk' to 'Rio'. The Director responded and clarified that the two systems would not be able to speak directly to each other. Relevant sharing agreements would be developed with Oxleas to compensate. It was likely that users of Rio at Oxleas would be provided with limited/relevant access to Carefirst.

With reference to a variation to the Adult Mental Health contract, a Member asked if the relevant feedback had been received from Oxleas, and the answer to this was that it had. Just minor changes to the contract had been requested.

A Member noted comments about the review of service agreements, and that the reviews would be undertaken every 3-6 months; he hoped that this would not just be a box ticking exercise. He asked what the effect had been on those clients that had not been reviewed in time, and if the 355 cases that had now been reviewed had affected LBB's budget.

The Director responded that Care Plans would be reviewed after 6 weeks to 3 months. If that seemed to be working well, it was aimed to review again in 12 months. Regular reviews could sometimes be delayed if more urgent cases required assessing first. It may be the case that certain individuals posed a threat to the public under the Mental Health Act, and so those cases would need to be reviewed first. Also if the care of individuals had been assessed by the CQC as requiring improvement, those cases would also have to be allocated priority. With respect to the effect on budget spend; the Director stated that there had been an effect, with some care packages reducing and some increasing.

A Member asked if it was necessary (and VFM) for a Mental Health Board to exist as well as the Adult's Safeguarding Board and the Children's Safeguarding Board. The Director explained that the Mental Health Board that he had referenced previously was different, and was not a safeguarding board. It was a performance management board that was concerned with overseeing the Section31/75 contract.

It was clarified that LBB's relationship with Oxleas was contractual—Oxleas was a contractor to whom LBB had contracted out services. However, the Director was keen to stress that he liked to work with Oxleas on the basis that they were not only a contractor, but that they were also a partner.

The Vice Chairman asked how the flow of money worked between LBB and Oxleas. It was explained that the money was passed to Oxleas from LBB upon receipt of an invoice.

The Audit opinion with respect to **Adult Safeguarding** was defined as 'Substantial'. However two P2 recommendations had been raised regarding the timeliness of the strategy discussion and the timeliness of closing the case when risks had been eliminated.

Members noted the **Risk Registers** that had been appended to the report. They were reminded that it had been agreed that the Risk Registers would be reviewed at least on a six monthly basis. They would be reported on initially to the Audit Sub Committee, and subsequently to the various PDS Committees.

Members further noted the work streams that the CRMG had commissioned Zurich to undertake to inform and strengthen risk management.

Members were advised that the **Annual Governance Statement** for 2017/2018 had received approval from LBB's external auditors on 25th July 2018. Members noted the five areas that had been identified for further improvement:

- Finance
- Contract Management
- Performance Management
- Code of Corporate Governance
- GDPR

The Head of Audit drew the attention of Members to Appendix B, which outlined the current list of outstanding priority one recommendations.

Members were appraised that the Audit opinion for **Continuing Healthcare Funding** was 'Substantial'; however it was also the case that seven P2 recommendations had been raised.

Members were pleased to note that the Audit opinion with respect to **Council Tax** was 'Substantial' and that controls were in place and working well.

The Committee was updated with respect to the audit for **IT Project Management** and notified that controls were working well with respect of Change Control Notices and in other areas. There were no P1 recommendations and the Audit opinion was substantial.

The Audit of **Creditors** was mixed—controls were working well and in place in certain areas such as ledger reconciliation. However a P1 recommendation had been raised with respect to the set up/amendment form for new start-ups and amendments, as this was not being signed off by the relevant designated manager or budget holder.

The Head of Audit notified the Committee that LBB had to be careful when dealing with purported suppliers, as in some cases they could be dealing with fraudsters who were posing as legitimate companies. This had been experienced by other local authorities. Controls had been implemented to prevent monies from being paid to scammers that were posing as genuine suppliers.

A Member highlighted section 3.11.4 of the report which stated that, '*a payment of £230,832 had been authorised by an officer with insufficient delegated financial authority.*' It was clarified that this payment was a cumulative batch payment for SEN services. The officer that had authorised the payment had been acting in good faith, but had authorised a payment that was outside of their delegated authority. In this case the payment should have been authorised at Director level. Liberata had been encouraged to be more vigilant in such matters, and to refer payments back to Exchequer Services if they suspected a possible breach with respect to financial regulations.

The Committee was briefed concerning the Audit of the **Home Tuition Service**. This was to ensure that the process of referral and payment to providers was working efficiently. It was clarified that 'Home Tuition' in LBB was undertaken in three areas:

- Hospital Tuition Team at the PRUH
- Elective Home Education
- Home Tuition for children who were not able to attend school for physical, medical, or mental health reasons.

The Audit team undertook an Audit on the latter group only.

Members were concerned to hear that 5 P1 findings had been identified. The P1 recommendations relating to the following areas:

- Core Panel Decisions
- The Database
- Payments to Agency Tutors
- Attendance Registers
- The use of just 1 supplier for procurement

Six P2 findings were also identified. Members were happy to note that the Audit findings were discussed with the Home Tuition Team during the course of the Audit and progress to implement some of the recommendations had been commenced prior to the Internal Audit Progress report being finalised.

The overall assurance for the Home Tuition Audit was 'Limited'.

The Committee noted the inadequacies of the Home Tuition purchasing system. A Member stated that there was a complete management failure with respect to the service and he wondered how it could have failed so badly. He felt that responsibility had been placed on the Lead Teacher when it was not his fault. He expressed the view that whoever was responsible should be summoned to appear before the Audit Sub Committee. The Chairman stated that the matter should probably go to the 'Education, Budget and Performance Management Committee'.

A Member referred to the last bullet point in section 3.12.20 which stated that *'the summary spreadsheet maintained by accountancy of the weekly invoices showed £471,366 to them for 2017/18. 'Accountancy explained that as the payments are made from a holding account and recharged rather than individual expenditure codes, the value is not captured on cumulative spend.'* There was a lack of clarity as to what this meant, and so it was requested that the matter be looked into so that clarity could be provided.

The Vice Chairman asked how it would be possible to properly assess cumulative spend for one contractor if several different teams were involved. Members heard that the new Assistant Director of Procurement would be

producing a list of all spends and then linking them to the Contracts Database, and identifying any associated risks.

The Head of Audit briefed the Committee regarding the Audit of **Direct Payments**. The audit was undertaken so that the system in place for the assessment and review of clients for direct payments could be assessed. It was noted that 10 recommendations were made because of this Audit, and that four of these were P1 recommendations:

- In many cases there was a problem in locating the DP5 form on Care Store
- Due to the absence of monitoring information, there was a danger that in some cases, the Direct Payment terms and conditions had not been met
- Payments made—there were issues in 2 cases where it appeared that overpayments had been made
- There were problems in locating Direct Payment documentation, and this included the Nominated/Appointer person form.

The Audit opinion for **Direct Payments** was 'Limited.'

The Head of Assessment and Care Management explained that much work was ongoing to provide updated guidance and training for staff. The reliance on locums was quite a problem for Adult Social Care and made training more difficult. However staff were being retrained in the current guidance prior to any changes that may arise out of the review of Direct Payments. Weekly scrutiny was now taking place with regard to casework and Direct Payment documentation.

The Chairman asked to what extent it was possible to recruit locum staff who were competent in the use of Carefirst and familiar with direct payment documentation and processes. The Director pointed out that they had been able to recruit 15 new social workers who were competent in these areas. Robust systems were now in place to improve the relationship between management and clients. The Chairman asked about the current vacancy rate and it was confirmed that it was 47%.

A Member was concerned to note that in 15 cases where there was a lack of mental capacity to manage finances, the relevant documentation could not be found. The Director explained that this did not mean that all of the documentation for those clients could not be found. It was clarified that under new legislation, mental capacity had to be tested for in several areas, and it was in the single area of mental capacity to manage finances—that the forms were missing at the time. The forms had since been located, along with the relevant reviews that were required.

The Director was asked if the service used process maps. The Director clarified that process maps were being used for:

- Discharge from hospital

- The Early Intervention Service
- Direct Payments

Process maps for other areas were being developed.

A Member asked how it could be that it was not determinable at the time of the audit, which officer was responsible for the review and update of direct payment documentation. The Director answered that the reason for this was that the post had been lost. Now it was the case that a Direct Payment lead had been appointed and improvements had been made.

The Committee heard that it was the Department's aim to increase the use of Direct Payments to empower service users. One of the possibilities being considered was to provide users with a pre-payment card that could be used to purchase services. A big advantage of doing this would be that all expenditure could be tracked. This would make the audit process a lot simpler. The Director emphasised that this system was being considered but had not been agreed yet.

Members were briefed on the Audit that took place with respect to **Edgebury Primary School** in order to assess the adequacy and the effectiveness relating to the system of controls surrounding the financial administration of the school. Controls were in place and working well and the Audit opinion was 'Substantial'.

Members were briefed on the review that had taken place regarding **Family Placements**. This had taken place to review the systems in place for the assessment of service and payments. The Audit opinion was 'Limited' and one P1 recommendation was raised. The P1 recommendation was raised because the weekly allowances for payments of Child Arrangement Orders and Connected Persons Allowances were not in line with the DfE rates that were applicable at that time, and had not been uplifted. The uplift process had now been implemented.

The Head of Audit briefed Members concerning the results of the Audit regarding **Leaving Care** payments. Members were concerned to note that six P1 recommendations had been raised. Resultantly, the Audit opinion was 'Limited'. A Member asked that if there were not clear Pathway Plans in place, would this adversely impact the current Ofsted inspection. The Head of Audit responded that it could be an issue. However, he also pointed out that weekly monitoring was taking place around compliance and quality and that all outstanding pathway plans had been reviewed and updated. It was noted that the Deputy Chief Executive was monitoring the implementation of the Audit recommendations.

Members looked at the **Housing Benefit** Follow up Audit and noted that 2 out of the original five recommendations had been implemented. A further full review was due in quarter 4. It was noted that the 'significant functional implications' mentioned in the report, referred to IT issues.

Members were pleased to hear that with respect to the Audit of **Temporary Accommodation and Rent Accounts**, effective controls were in place in many areas and so the Audit opinion was 'Substantial'.

Members were informed of the **PCN Audit**. This was two-fold—a review of the current parking enforcement contract with APCOA, and a follow up of the recommendations from the previous Audit. Overall, the conclusion of the PCN Audit was that substantial assurance could be placed on the effectiveness of the overall controls. Five recommendations had been made within the 2016/17 report and these were followed up. Members were pleased to note that 4/5 of the previous recommendations had been implemented.

A Member enquired if the new contract was also concerned with looking at the number of PCNs issued by the new contractor and the answer was affirmative. Members were informed that the new contract would focus on the KPIs which were related to deployment, hours and availability.

Members were pleased to note that the Audit of **'Vehicle Crossovers'** had resulted in a 'Substantial' Audit opinion, with controls in place and generally working well.

A follow up Audit was undertaken on the **Reablement Team and Reablement Assessment Team** following the Audit that had been undertaken during March 2017. This Audit had resulted in 10 recommendations and Limited Assurance.

The Committee was concerned to note that at the follow up Audit that took place during June 2018, seven of the original recommendations were still outstanding. It was also the case that the two P1 recommendations regarding the Outcome Measurement Tool (OMT) and target hours in terms of contact times with the clients had still not been implemented. Staff had now been reminded to use the OMT. No timescale existed for the benchmarking of a new system to replace the OMT.

The Director reminded the Committee that 6/8 previous recommendations had been implemented. He said that he had not wished previously to spend too much time in trying to improve the OMT as it was the case that the service was due to be commissioned out to Bromley Healthcare (BHC). This proposal subsequently fell through and the service remained with LBB. The Director stated that the NHS and BHC had better OMT systems in place for monitoring outcomes and it was hoped that LBB could learn from these. The current plan was that LBB would develop and use an OMT system called 'TOM' (Total Outcome Management).

The other P1 recommendation was related to the amount of contact time that support staff spent with clients—the target time being 65%. The Director advised that this was a matter that he would need to discuss further with officers. Target time was affected by various issues such as traffic when travelling, shift patterns and other work force issues.

A Member referred to section 3.22.2 of the report where Audit had noted in March 2017 that *'Insurance certificates to confirm that staff are insured for business use were found to have expired in some cases.'* He asked what the possible implications of this could be for the Council. The Director responded and explained the current system that was in place for checking driving licenses and insurance certificates. It was noted that only occupational therapists carried equipment with them. This being the case, a Member asked if cars were really required to be used by staff. The Director responded that cars were required as Bromley was a large geographical borough, and so the use of cars was required to maximise agility and speed.

The Chairman thanked the Director for attending the meeting and for answering questions.

The Committee was briefed concerning the follow up Audit of **St Olave's School** that took place during December 2017. A P1 recommendation had been raised previously concerning the tendering and procurement of the school's IT contract. The previous Audit had identified that the 3 year IT contract had not been subject to a proper tendering and procurement process. During the visit in December 2017, it was confirmed that this had not changed.

The Committee was informed that a meeting had taken place with BT, LBB officers and the School Business Manager to discuss how to progress the matter further. The school was also considering bringing the service in house. Internal Audit planned to revisit the school on 3rd and 4th December to assess what progress was being made to implement the P1 recommendation.

Members were reminded that the original P1 reported in November 2016 regarding document storage related to cumulative expenditure and the requirement to undertake a comprehensive review of **documents in storage**. The Head of Audit informed the Committee that given the progress made in the recent Audit, the recommendation relating to document storage could now be closed.

Members were briefed concerning the P1 follow up **Audit for Waivers**. Both P1 recommendations were linked to the ongoing development of the Corporate Contracts Database and the associated development of an electronic authorisation process. So although the recommendations were being progressed, they still remained open.

The Committee was reminded that in the previous Audit report (dealing with Agency Staff) that had been published in March 2018, there were 3 P1 recommendations. Members were pleased to note that 2/3 recommendations had now been implemented. The recommendation for governance arrangements had now been implemented as had the recommendation relating to reminding managers of the process for removing the IT systems access and the recovery of Council equipment when agency workers left the Council.

The recommendation relating to the review of agency staff engagements exceeding six months remained outstanding.

A Member expressed disappointment that there had still been problems with removing IT systems access and the recovery of security passes for agency staff leaving the Council. Mr Hogan commented that in the last 10 years, local authorities had lost 28% of staff (many of whom were managers) and so this had not helped. Reminders had gone out from Audit and from HR for managers to make sure that they understood the starters and leavers process. It was clarified that guidance on this matter was provided via online training and managers' briefings.

Audit had conducted a review of the best way to undertake its counter fraud work, and it was agreed by the PDS and the Portfolio Holder that partnership work should continue with Royal Borough of Greenwich (RBG). A new contract to this effect was due to take effect from April 2019.

The Troubled Families claim for September 2018 was verified. Similarly, the Chief Executive and the Head of Audit verified that the conditions of the Pothole Action Fund Grant had been met, and a declaration to that effect was signed on 19th September 2018.

The review of waivers was a time consuming piece of work for the officers concerned. Officers had to get approval from various sources, including the Commissioning Board and access a variety of documents. Ideally (in the future) this could be a single report that could be run off from the CDB. Waivers had to be signed off by a relevant Director—sometimes it appeared that this process was not fully understood, but that did not mean that there was anything wrong with the process and so this was something that could be looked at with the Commissioning Team. It was hoped that in the new year, a new, robust and easier to use process could be developed and used.

Members noted that there was no change to the Corporate Risk Register. Any significant risks would be reported to PDS Committees in the next cycle of meetings. A Member asked if Audit was relaxed about the risks flagged as red. The Head of Audit explained that there were certain areas that even with mitigations in place, the risks would remain as red—this for example would apply to the Financial Strategy.

Other areas such as the risks attached to a rising elderly population and homelessness were likely to always remain without significant changes to strategy and policy.

A Member raised the issue of the risks associated with commissioning, and whether or not it was still felt that commissioning was working. It was the case that some commissioners like Carillion had gone bust, and other commissioners had been put under too much pressure to deliver results in difficult circumstances, and thus had to later cease trading.

The Head of Audit responded that this was a national issue and not specifically an audit issue to address. However, Audit did plan to look at strategic risks relating to Commissioning.

A Member referred to the Corporate Risk Register and to the risk associated with the possible failure to deliver the partial implementation of health and social care—he suggested that this risk should have been red. He was also interested to note that the title of the risk had been changed from the full integration of health and social care, to a partial integration. He wondered how a ‘partial’ integration could be defined.

The Member also referenced the risk pertaining to the possible failure to deliver effective Adult Social Care Services. He asked why there was no comment in the text box which would detail what further action was required to mitigate risk. He also wondered why this risk rating had been downgraded from red to amber. The Head of Audit responded that Zurich would challenge the risk register at the DMT if they felt it was appropriate.

It was noted that the current risk for providing effective Children’s Services had also been downgraded from red to amber, but that this would require validation from Ofsted.

Members noted that the ECHS Risk Register contained a risk for School Standards. The comment was made that LBB was not responsible in the most part for this as most of the schools in the borough were Academies. LBB would just be responsible for Safeguarding.

Members noted the importance of running a balanced budget, and that it was a statutory responsibility to do so. It was queried if the responsibility to provide a balanced budget would take precedence over other statutory responsibilities, and would this priority be a defence against not providing other statutory services. The Head of Audit responded that all implications would need to be considered, in addition to the possibility of legal challenge.

A Member asked what would be the definition of a balanced budget. The Head of Audit answered that CIPFA had published legal guidance on these matters. What was required was sustainable transformation. This was a challenge for the whole sector and no councils were relaxed about their financial future.

RESOLVED that

1- The Internal Audit Progress Report is noted

2- The Committee notes the actions taken with respect to the Risk Management Process

- 3- The Committee notes the Departmental Risk Registers
- 4- The Committee approves the revised Corporate Risk Register
- 5- The Committee notes the list of Internal Audit Reports published on the Council's website.
- 6- The Committee notes the list of waivers sought since May 2018
- 7- The Committee notes the Letter of Representation
- 8- The Committee notes the Annual Audit Letter from KPMG
- 9- The Committee notes the Code of Transparency relating to the reporting of fraud
- 10- The Committee notes the latest position with respect to the objections to the Accounts.

22 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000

RESOLVED that the press and public be excluded during consideration of the items of business listed below as it was likely in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present, there would be disclosure to them of exempt information.

23 EXEMPT MINUTES OF THE MEETING HELD ON 24th MAY 2018

The exempt minutes of the meeting held on 24th May 2018, were agreed and signed as a correct record.

24 MATTERS ARISING FROM THE MEETING ON 24th MAY-- EXEMPT INFORMATION

CSD 18155

Members noted the Matters Arising (Exempt Information) from the meeting on 24th May 2018.

25 INTERNAL AUDIT FRAUD AND INVESTIGATION AND EXEMPT ITEMS REPORT

FSD 18084

The Internal Audit Fraud and Investigation and Exempt Items Report was written by David Hogan, Head of Audit.

The report informed Members of recent Internal Audit activity on fraud and investigations across the Council and provided updates on matters that had arisen from previous meetings of the Audit Sub Committee.

Members noted and commented on the report.

The full minutes of the Internal Audit Fraud and Investigation and Exempt Items report were recorded in the Part section of the minutes.

RESOLVED that the Internal Audit Fraud and Investigation and Exempt Items Report be noted.

The meeting ended at 9.30 pm

Chairman

This page is left intentionally blank