

Audit Committee and Audit Committee (Advisory) - 6 June 2016

Minutes of the meeting of the Audit Committee and Audit Committee (Advisory) held at Committee Room 4, Town Hall, Upper Street, N1 2UD on 6 June 2016 at 7.30 pm.

Present: **Councillors:** Satnam Gill (Chair), Richard Greening, Olly Parker and
Flora Williamson.
Also Present: **Independent member:** David Bennett

Councillor Satnam Gill OBE in the Chair

101 **APOLOGIES FOR ABSENCE (Item A1)**
None.

102 **DECLARATION OF SUBSTITUTE MEMBERS (Item A2)**
None.

103 **DECLARATIONS OF INTEREST (Item A3)**
None.

104 **MINUTES OF PREVIOUS MEETING (Item A4)**
RESOLVED that the minutes of the 26 May 2016 be confirmed as an accurate record of proceedings and the Chair be authorised to sign them.

105 **ANNUAL GOVERNANCE STATEMENT 2015/16 (Item B1)**
In the discussion it was noted that:-

- Executive members could consider risks in their portfolio areas and feed through to the Chair of Audit or officers.
- The Annual report on members training was to be submitted to the September Audit Committee.
- Noted that ward partnerships were not always open to the public.
- Details of the 'Councillor Call for Action' process were requested.
- Noted that Councillor Gill was to take part in the peer review of the Internal Audit function to be undertaken by Croydon Council in June 2016.

RESOLVED

- 1) that the contents of the Annual Governance Statement and the change in process for 2015/16 be noted;
- 2) that the wording 'Meetings are open to the public' at paragraph 3.17.6 be deleted.
- 3) Councillor Parker be sent details of the Councillor Call for Action Protocol.

106 **THE TICKETVIEWER BREACH AND CYBERSECURITY (Item B2)**

In the discussion it was noted that:-

- There were multiple layers of security so if one part was breached there were other layers of protection.
- It was inevitable that there would be breaches of security and it would be necessary to minimise the impact of any possible breaches through an alarm system and through a system of recovery to minimise impact.

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- The TicketViewer system remained unavailable. The parking system was developed some years ago and a new commercial parking management system had been developed which would provide greater assurance that the system was robust.
- Future audit work would be more focussed on those systems that posed the greatest risk or impact if compromised.

RESOLVED that the report be agreed.

107

REVIEW OF VOLUNTARY REDUNDANCY SCHEME (Item B3)

In the discussion it was noted that:-

- The take up of the scheme for 2015/16 attracted a larger number of voluntary redundancies than in previous years.
- A higher number of voluntary redundancies allowed management more flexibility in planning re-organisations and also reduced the negative impact on staff morale with compulsory redundancy.
- The Enterprise Act 2016 had introduced a £95,000 cap on termination payments although the date for the introduction of the cap was not yet known. This cap may affect employees redundancy figures if they were eligible for early retirement.
- This was a scheme to be agreed for one year only unless a further report was brought back to Audit Committee.
- Employees were not obliged to accept an offer if approved by management and an application would not commit an employee to taking redundancy.
- The scheme was advertised widely throughout the Council once agreed.
- The scheme had been submitted to the trade unions who supported it.
- The incentive payment cost to the council of £475,000 for 2015/16 did not include pension strain, which would be paid from the redundancy reserve.

RESOLVED

That an enhanced voluntary redundancy scheme as detailed in the report be agreed for 2016/17.

108

PRINCIPAL RISKS AND UNCERTAINTIES REPORT - JUNE 2016 (Item B4)

In the discussion it was noted that:-

- New risks that had been identified and were detailed in the report.
- The risk regarding housing repairs had been withdrawn as the risk concerned bringing the service in-house. This risk would still be monitored, but at a departmental level.
- Further detail and clarity about the risks was requested for future reports.
- Concern that regarding safeguarding children risks had been identified as financial where the risk of abuse to children was the greater risk.
- That further action was required regarding the risk to the future of affordable housing and this could be considered by the Housing Scrutiny Committee.
- Officers would ensure that the risk regarding identified refugee children was included in the Children's Services risk register when next reviewed.

RESOLVED that the principal risks and the proposed action be noted.

109

WHISTLEBLOWING REPORT - APRIL 2015 - MARCH 2016 (Item B5)

It was noted that there had been an increase in the number of whistle blowing referrals. This may be due to a higher profile of the scheme, an increased workforce or that people trust the mechanism and can be assured that anonymity can be protected.

Concerns from people who were considered as vexatious would still be considered in the normal manner.

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RESOLVED that the report be noted.

110

VOTE OF THANKS (Item C1)

The Independent Member, David Bennett, was thanked for his four years of service to the Audit Committee.

The meeting ended at 8.10 pm

CHAIR