

Minutes of Accounts & Audit Committee

Meeting Date: Wednesday, 11 April 2018, starting at 6.30pm
Present: Councillor S Hirst (Chairman)

Councillors:

P Ainsworth	A Knox
I Brown	R Newmark
P Dowson	R Sherras
L Graves	R Thompson
B Hilton	

In attendance: Chief Executive, Director of Resources, Head of Financial Services.

Also in attendance: Mark Heap and Ian Pinches (Grant Thornton).

748 APOLOGIES

Apologies for absence from the meeting were submitted on behalf of Councillor G Mirfin.

749 MINUTES

The minutes of the meeting held on 21 February 2018 were approved as a correct record and signed by the Chairman.

750 DECLARATIONS OF PECUNIARY AND NON-PECUNIARY INTEREST

There were no declarations of pecuniary and non-pecuniary interest.

751 PUBLIC PARTICIPATION

There was no public participation.

752 INTERNAL AUDIT ANNUAL REPORT 2017/18

The Director of Resources submitted a report for Committee's information on internal audit for 2017/18. Internal Audit ensure that sound internal controls are inherent in all the Council's systems. The report outlined the detailed outturn position at 31 March 2018. All new audit reports produced during the year have been taken into account in informing the assurance opinion given later in the report. Members asked a number of questions and in particular referred to the Council's Business Continuity Plan.

The assurance levels on the Council's key financials systems are consistently good. Reviews on all systems had been completed and all audit reports issued with full assurance levels. In the majority of audit work undertaken during the year, no significant control weaknesses were identified.

The report also included an update on red risks which included the latest position on the Clitheroe Market redevelopment.

Internal Audit had reviewed the effectiveness of the Council's systems of internal control for 2017/18 having regard to appropriate assurances obtained from other internal sources. The opinion based on this work is that the Council's systems of internal control are generally sound and effective.

RESOLVED: That the report be noted and that Committee consider the Business Continuity Plan at the next meeting of this Committee.

753 GRANT THORNTON AUDIT PROGRESS REPORT AND SECTOR UPDATE

Mark Heap submitted a report for Committee's information on the progress in delivering Grant Thornton's responsibilities as the External Auditors. The paper also included a summary of emerging national issues and developments that may be relevant and a number of challenge questions in respect of those emerging issues which the Committee may wish to consider.

The interim audit had commenced in January 2018 with the statutory deadline for the issue of the 2017/18 opinion being brought forward by 2 months to 31 July 2018. To date there were no matters that needed to be brought to the attention of Committee.

With regard to value for money the initial risk assessment to determine their approach had been made in December 2018 and reported in the Audit Plan.

Committee also discussed the situation that several County Councils find themselves in at this time and the effect this may have on District Councils. It was agreed that a recent inspection report from MHCLG on Northamptonshire County Council be circulated to Members for their information.

RESOLVED: That the report be noted.

754 PRUDENTIAL CODE CHANGES

The Director of Resources submitted a report for Committee's information providing them with recent changes to the Prudential Code. This is a professional Code of Practice to support the decisions Councils have to make to plan for capital investment at a local level. Changes have been made to take into account many changes in Local Government since the production of the initial Prudential Code, particularly around austerity and commercialism. The report outlined the changes that had been made, risk being a key factor addressed under the Code.

The Prudential Code plays a pivotal role in ensuring that affordability, sustainability and prudence are at the heart of decisions around capital finance.

RESOLVED: That the report be noted.

GENERAL DATA PROTECTION REGULATIONS (GDPR)

The Director of Resources submitted a report regarding the details of the new requirements under GDPR for discussion. The report provided Members with details of the new requirements under GDPR and the implications for this Council.

The GDPR will apply in the UK from 25 May 2018 and the Government had confirmed that the UK's decision to leave the EU would not affect the commencement of GDPR. Like the Data Protection Act, GDPR applies to personal data, however the GDPR's definition is more detailed and expansive providing a wide range of personal identifiers that constitute personal data, reflecting the changes in technology and the way organisations collect information about people.

The Data Protection principles under GDPR set out the main responsibilities for organisations. The accountability principle requires that organisations put in place comprehensive but proportionate governance measures. The following procedure, policies and frameworks will become a requirement under GDPR and should minimise the risk of breaches and uphold the protection of personal data:

- Information audit.
- Establish an information asset register.
- Privacy impact assessments.
- Documented procedures for subject access request.
- Privacy by design.

GDPR also creates some new rights for individuals and strengthens some that currently exist under the Data Protection Act.

- The right to be informed.
- The right of access.
- The right of rectification.
- The right to erasure.
- The right to restrict processing.
- The right to data portability.
- The right to object.
- Rights in relation to automated decision making and profiling.

The GDPR state that a Data Protection Officer should be designated by Local Authorities to take responsibility for data protection compliance. The Information Commissioners Officer (ICO) will be supervisory authority for the UK and will have the power to spot audit organisations with little prior notice.

In the changeover to GDPR there was likely to be an extensive workload for the Data Protection Officer role in ensuring our compliance.

Members discussed various aspects of the report including the importance of being covered by registration in all aspects of their individual roles.

RESOLVED: That

1. a written protocol be produced with regard to Councillor emails; and
2. a report regarding progress of GDPR be reported to this Committee in due course.

The meeting closed at 7.08pm

If you have any queries on these minutes please contact Jane Pearson (425111).