

DONCASTER METROPOLITAN BOROUGH COUNCIL

AUDIT COMMITTEE

THURSDAY, 17TH NOVEMBER, 2016

A MEETING of the AUDIT COMMITTEE was held at the COUNCIL CHAMBER - CIVIC OFFICE on THURSDAY, 17TH NOVEMBER, 2016, at 10.00 am.

PRESENT:

Chair - Councillor Austen White
Vice-Chair - Councillor Richard A Jones

Councillor Susan Durant and Kathryn Smart, Co-opted Member.

ALSO IN ATTENDANCE:-

Denise Bann, Head of Procurement
Patrick Birch, Programme Manager, Commissioning and Contracts
Kim Curry, Director, Adults and Health and Well Being
Colin Earl, Head of Internal Audit
Scott Fawcus, Assistant Director of Legal and Democratic Services and Monitoring Officer
Pat Higgs, Assistant Director, Adult Social Care
Peter Jackson, Internal Audit Manager
Steve Mawson, Chief Financial Officer and Assistant Director of Finance
Howard Monk, Head of Service, Strategy and Performance, Strategy and Performance
Helen Potts, Principal Legal Officer
Alan Wiltshire, Head of Policy and Partnerships, Strategic and Performance

APOLOGIES:

An apology for absence was received from Councillor John Healy.

22 DECLARATIONS OF INTEREST, IF ANY

Kathryn Smart declared a non-pecuniary interest in respect of Waiver No.'s CPR 16/05/0003 and CPR 16/04/0005, of Appendix 2 of Agenda Item 9, by virtue of being and employee for RDASH (Rotherham Doncaster and South Humber NHS Foundation Trust).

23 MINUTES OF THE MEETING HELD ON 17TH AUGUST, 2016

RESOLVED that the minutes of the meeting held on 17th August, 2016, be approved as a correct record and signed by the Chair.

24 AUDIT COMMITTEE ACTIONS LOG

Colin Earl, Head of Internal Audit Services presented a report which updated Members on actions agreed at previous Audit Committee meetings, thereby allowing Members to monitor progress against these actions, ensuring satisfactory progress was being made.

Further to a request from a member of the Audit Committee, who had raised the issue of the difficulty in tracking actions agreed from previous Audit Committee meetings, this had resulted in the production of the Audit Committee Issues Log which was updated for each Audit Committee meeting, documenting all actions agreed during previous meetings that had not been fully completed. Items that had not been fully completed since the previous Audit Committee meeting were also documented in the report and then removed for the following meeting log.

Members' attention was drawn to the Appendix of the report, which detailed the follow-up actions from previous meetings; the majority of which were classified as "green", either having been fully addressed and for removal from the following log or because arrangements were in hand and the actions were not yet due.

It was reported that there were, however, two "red" actions relating to procurement breaches that were on-going and further information was available on these items on the Financial and Purchasing and Contract Procedure Rules report (agenda item number 9 of the agenda papers).

RESOLVED that the progress being made against the actions agreed at the previous committee meetings, be noted.

25 STRATEGIC RISK MANAGEMENT IN ADULTS, HEALTH AND WELLBEING - (Minute No. 18 – 17th August, 2016)

Further to the above Minute, the Committee considered its first 'Deep Dive' review of the Adults Health and Wellbeing (AHWb) directorate, in order to provide a more in-depth picture of how it managed strategic risks, as requested by this Committee at its meeting on 17th August 2016. The report provided details of the grip the directorate had on its 2 specific strategic risks and the variety of ways in which the key components of the risks were focussed upon. The 2 strategic risks identified included:

- SR01 - The agreed standards and policies are not adequately understood and implemented by practitioners who work with vulnerable adults increasing the risk of vulnerable people experiencing harm or abuse (current score, impact 5 *critical*, likelihood 2 *unlikely*).
- SR02 - Health and social care services do not change fast enough, impacting on quality, accessibility and affordability of services for people who need them most (current score, impact 5 *critical*, likelihood 3 possible).

Kim Curry, Director Adults, Health and Wellbeing, was in attendance at the meeting to respond to Members questions and concerns.

In response to a query with regard to the areas that were outstanding following the independent quality assurance review undertaken in September 2016, as highlighted in Paragraph 16 of the report, Members were informed that the areas of progress made so far were on the work that had been undertaken with the Doncaster Safeguarding Adults Board, which was now chaired by an Independent Chair and a Performance Framework had since been put in place. Members noted that support to the Board was currently being reviewed. It was explained that the area for consideration was particularly in relation to the national agenda for 'Self neglect and vulnerable people', which related to homeless people and those people who were

often badged as 'difficult to engage' and was about how the local authority and its partners could help in such situations. Whilst this issue was not particularly specific to Doncaster, the Council was looking at how this could be built into the Safeguarding process and there were a number of ways that this was being achieved through the Safer, Stronger approach and the Stronger Families approach. The Council was also looking at a 'Community MARAC' (multi-agency risk assessment conference) approach, where individual organisations meet to talk about vulnerable people. A key issue was finding a way to communicate and engage with this cohort of people.

During discussion, Members noted that whilst the current risk scores were provided for in the report, the target risk scores had not been included. Therefore, it was requested that in future, an extract from the Risk Register be appended to the report for comparative purposes.

In response to a query in relation to re-scoring of risks and the frequency of the Quarterly Review of the Risks identified in the table at Appendix A to the report, assurances were provided that monthly performance Directorate Leadership Team meetings were held to review the risks, review the scores and review the progress being made, not only against the indicators but also against Corporate and departmental risks. The Director Adults, Health and Wellbeing acknowledged that it may be timely to consider whether the risks identified in the report were the right risks.

Further to a question in relation to the reporting of risks and whether the risks could be changed, Members were informed that the risks were reported and discussed at Departmental leadership meetings on a monthly basis and were then fed into the Improvement Board and were also picked up in the Corporate risk register report. The Improvement Board would not change those risks without having a Corporate discussion at Directors and Executive Board meetings, in order that Elected Members would be involved in those discussions, including the Portfolio Holder.

In relation to the target risk scores identified in the report, Members queried how the current risk scores had changed over the last 12-18 months, whether there was a positive trend that showed that the management of risks was working and whether the measures in place would enable the Council to be able to achieve the target risk levels. Members also queried whether the risk management process included checks on the effectiveness of the process by reducing the risk level. It was reported that risks relating to the Adults and Wellbeing Transformation Programme and safeguarding adults had significantly reduced over the last year. In terms of safeguarding, the Director Adults, Health and Wellbeing outlined the action undertaken following the Peer Review last year which included, the establishment of a safeguarding hub, changes to performance management, data collection and the performance framework, which had meant that significant improvements had been made in relation to the way that safeguarding and safeguarding risks were being assessed and managed.

With regard to the Transformation Programme, it was reported that £1.8m of financial savings had been achieved in terms of commissioning. The Transformation Programme and the leadership of it and the risks were realigned as a consequence of the Council now having a programme that was significantly delivering on its immediate business improvement requirements. In terms of the management of the risks to the Council, it was reported that the delivery of both of those elements of the Programme had substantially reduced the risk. Risks were considered on a monthly basis through

immediate business improvement, but also during the Transformation Improvement Board as well.

In response to a question from Members regarding whether processes were in place to manage and report risks and whether evidence could be provided to the Committee in this respect, it was reported that risks were discussed through the Transformation leadership work, and each of these 2 programmes of work had a risk register which was discussed at the Board on a monthly basis and was updated after each update. The Director Adults, Health and Wellbeing gave an undertaking to provide Members with this information.

Members asked whether there were opportunities to improve risk management in the Adults, Health and Wellbeing Directorate. Members were informed that the next challenge for the Council was to ensure that risk management was embedded in the Council's approach right the way through the Council by way of 1 to 1's and PDR's up into the programme, so a 'golden thread' could be seen throughout the discussions from front line staff, right the way up to strategic discussions.

RESOLVED that the report on the management of Adults Health and Wellbeing strategic risks, be noted.

26 ADULTS, HEALTH AND WELLBEING AUDIT RECOMMENDATIONS PROGRESS REPORT IN RELATION TO DIRECT PAYMENTS – (Minute No. 5 – 22nd June, 2016)

Further to the above Minute, the Committee considered a report which provided a further update on the completion of the recommendations and those that were still outstanding as at 31st October, 2016.

Members noted that progress had been made in reducing the number of outstanding recommendations since the last meeting in June 2016 and there were now 11 actions still outstanding, some from the initial audit, some from a later review. 13 individual actions had been marked as implemented (5 major risks and 8 significant risks). Of the 11 actions still outstanding (3 major risks and 8 significant risks) all were progressing and many nearing completion as described in Paragraphs 17 to 20 of the report and in more detail in Appendix 1 of the report.

Whilst the report was encouraging with regard to the progress made against the audit recommendations, the Chair requested that Internal Audit undertake a further audit next year of Direct Payments, as there was still a number of issues outstanding. Members were advised that Internal Audit was working closely with the service in respect of the improvements to be made and the strengthening of controls.

Pat Higgs was in attendance at the meeting and responded to a number of questions from Members.

It was acknowledged that the Council had to do more to increase the number of people using direct payments, working with colleagues in Commissioning, a new framework solution was being developed to widen the offer of direct payment with money management support services, which would remove the concerns that come with handling monies, as the Council would be working to develop tenders that would enable this work to be led by a third party.

In terms of a risk register for managing the uptake of Direct Payments, it was reported that an action plan had been developed and was being closely monitored by the IBI project board that was made up of representatives from Corporate Services, other directorates within the Council and external representatives, which linked into the overall Programme Board that oversees how improvements were being made. It was noted that whilst progress was being made implementing the action plan, there were a number of cultural and operational issues that had to be addressed as part of this work.

RESOLVED that

- (1) the update on the current Audit recommendations outstanding, be noted; and
- (2) Internal Audit undertake a further audit next year of Direct Payments.

27 ADULTS, HEALTH AND WELLBEING - LEARNING DISABILITY/SUPPORTING LIVING REVIEW – (Minute No. 20 – 17th August, 2016)

Further to the above Minute, the Committee considered an update and progress report on the Supported Living Review for people with Learning Disability.

Members noted that all 267 individuals had now had a financial assessment and were now contributing to their care where appropriate. To ensure that people in supported living were charged correctly in the future, the three operating systems, which operated independently of each other, were to be migrated into one data set. Work was on going in respect of this issue and it was anticipated that this was to be completed by October 2017.

Responses to the questions raised by Members of the Audit Committee in August, 2016, were detailed within Paragraphs 21 to 38 of the report.

Pat Higgs, Assistant Director of Adult Social Care provided further details in respect of the responses set out in the report and responded to further questions from Members; in particular, relating to the financial difficulty of clients in respect of affordability, the challenges of implementing Direct Payments and working with partners to deliver significant transformational plans.

Members whilst acknowledging that progress was being made in this area, due to the level of on-going work, requested that Internal Audit include this item in their schedule for the 2017/18 Work Programme.

RESOLVED that

- (1) the update and progress made on the Supported Living Review for people with a Learning Disability, be noted;
- (2) the Adults, Health and Wellbeing - Learning Disability/Supporting Living Review, be included in the Internal Audit's 2017/18 Work Programme.

28 BREACHES AND WAIVERS TO THE COUNCIL CONTRACT PROCEDURE RULES
(Minute No. 49 - 17th April, 2016)

Further to the above Minute, the Committee considered a report, providing Members with details of waivers and breaches to Finance and Contract Procedure Rules for the period 1st April, 2016 to the end of October, 2016.

Members noted that there had been an unprecedented number of breaches to Contract Procedure Rules for this period, with the majority of breaches within the Adults, Health and Wellbeing (AHWb) directorate. A series of improvement actions had been identified, details of which were outlined at paragraphs 17 and 18).

It was reported that there were 7 breaches and 23 waivers to Council Procedure Rules for this period, details of which were provided within Appendices 1 and 2 of the report. Members noted that investigations were on going in respect of breaches of financial procedure rules, the outcome of which would be presented to a future meeting.

Members were informed that there had been unprecedented levels of procurement activity and the focus at Officer Level had been supporting high value procurements and this had detracted from the normal scrutiny of the contracts register.

Arrangements were now in place to support this more effectively including, a commissioning lead to support Adults, Health and Wellbeing and closer monitoring at directorate level. Even though more work was required, these measures should reduce the number of breaches to Finance and Contract Procedure Rules. Members requested that future reports should provide more detail in respect of proposed actions to address the breaches.

Denise Bann, Head of Procurement and Steve Mawson, Chief Financial Officer and Assistant Director of Finance answered specific questions in relation to the breaches and the reasons why the breaches had occurred.

RESOLVED that

- (1) the information and actions contained in this report, regarding waivers and breaches of C.P.R's, be noted; and
- (2) future reports provide more detail in respect of the proposed actions to address the breaches.

29 COVERT SURVEILLANCE - REGULATION OF INVESTIGATORY POWERS ACT
2000 (RIPA) - UPDATE

Helen Potts, Principal Legal Officer presented a report which provided an update on the Regulation of Investigatory Powers Act (RIPA) surveillance applications, as attached at Appendix 1 to the report since the last report to Committee in April 2016 and the outcome of such matters.

The report also set out the Action Plan following an inspection carried out by the Surveillance Commissioner H.H. Norman Jones QC on 5th January, 2016.

Members noted that the following three recommendations and actions arising from the January 2016 inspection had now been completed:-

- to amend the central record to show the date the authorising officer approved the surveillance. The form previously only showed when the Magistrates had approved the surveillance.
- to arrange a training programme to improve RIPA knowledge. An external trainer with expertise in the field provided training on the 7th April 2016 for those within the Council whose work regularly involves RIPA. Internal training will be provided in April 2017. An online RIPA course has been developed but we are currently waiting for it to be changed to the new Adapt format so that it can be released to all council employees as an introduction to RIPA.
- to amend the RIPA procedure documentation.

Further to discussion at the Committee's pre-training session prior to this meeting, as to the benefits for the RIPA training to be made mandatory for relevant Line Managers due to Members concerns around un-regulated activity, and whether Audit Committee Members could undertake RIPA training on-line, Helen Potts gave an undertaking to speak to Human Resources with regard to these matters.

RESOLVED to note that:

- (1) the Action Plan following the inspection carried out by the Surveillance Commissioner HH Norman Jones QC on 5th January 2016 had been completed; and
- (2) the RIPA applications that have been authorised since the last report in April 2016, attached at Appendix 1. No RIPA applications have been refused by the Magistrates during the period to which this report relates.

30 DATA QUALITY AND INFORMATION MANAGEMENT UPDATE – (Minute No. 38 - 27th January, 2016)

Further to the above Minute, the Committee received a report which provided an update in respect of the Strategic Risk identified around Data Quality and an update on Information Management.

In response to a question from Kathryn Smart regarding resource support to implement the Data Quality Plan, the Committee was advised that the resource focus at this stage was on having Data Quality standards consistent across the Council's key systems to provide meaningful data capture and interpretation. This approach required sign up and commitment by all services contributing to the data sets. The Council was also looking to achieve Level 2 standard of the Information Governance Toolkit commissioned by the department of Health Policy. Once achieved, the Council would be able to share more data with NHS organisations to support integrated health and social care commissioning.

In respect of data storage, it was noted that physical storage had now been completed. In moving forward, a key challenge would be the recording of electronic data. The Vice-Chair, Councillor R. Allan Jones suggested that it would be helpful for all documents produced within the Council to be version controlled. The Chief Finance Officer and Assistant Director for Finance and Corporate Services advised that version controls existed for Strategy documents and Policies, however, due to resources this

did not exist for every document produced by the Council. Selected documents did have version control such as overpayment records, which had to be accurate and up to date. Colin Earl, the Head of Internal Audit stated that this could be an issue raised at the Governance Group.

During subsequent discussion, Steve Mawson, Chief Financial Officer and Assistant Director of Finance advised Members of the systems in place in Governance Services to ensure that the correct version of reports were presented to Committee and was happy for Members to see how this information was logged.

RESOLVED that the contents of the Update report on Data Quality and Information Management, be noted.

31 VARIATION TO THE ORDER OF BUSINESS.

In accordance with Council Procedure Rule 4, the Chair sought the consent of Members to vary the order of business by considering agenda item 16 (Changes to the arrangements for the Appointment of External Auditors), after item 12, before returning to the order of business as specified on the agenda, to allow for consideration of this item due to a Member of the Committee having to depart early from the meeting.

RESOLVED that in accordance with Council Procedure Rule 4, the order of business be varied by considering agenda item 16 (Changes to the arrangements for the Appointment of External Auditors) after item 12, before returning to the order of business as specified on the agenda, to allow for consideration of this item due to the early departure of an Elected Member.

32 Q1 2016/17 STRATEGIC RISK REGISTER UPDATE

The Committee was provided with an update on the progress made in relation to Strategic Risks for Quarter 1 2016/17.

Members noted that no risks had been identified for demotion. A new risk had been proposed to highlight the short, medium and long term implications and impacts of the referendum:-

As a result of the decision for the UK to leave the European Union there was increased uncertainty across a number of policy and funding areas that could lead to disruptions in funding and/or projects locally in Doncaster.

As a consequence of the decision to leave the EU, the Quarter 1 challenge revised the wording for the risk around austerity to read as follows:-

The potential personal financial position facing individual citizens across Doncaster Borough may result in an increase of poverty and deprivation

In presenting the report, Steve Mawson, Chief Financial Officer and Assistant Director of Finance informed Members that since the writing of the report, the Q2 finance and performance report, which included information with regard to the Strategic Risk Register was to be issued shortly.

In response to Members questions regarding the timeliness of presenting quarterly reports to the Committee in order to allow Members to make meaningful and timely contributions, the Chief Financial Officer and Assistant Director of Finance stated that he would review current reporting arrangements to address this time lag and the way that information was presented to the Committee. This would include, highlighting the identification of any major changes to the risks, available comparative data relating to previous periods in time and the direction of travel. This was welcomed by the Committee. The Chief Financial Officer and Assistant Director of Finance also undertook to provide Members with a copy of the Quarter 2 finance and performance report when available.

During consideration of this item, the Chief Financial Officer and Assistant Director of Finance responded to Members questions and concerns on specific performance indicators in particular, relating to the Pensions Deficit and the two risks relating to the Children's Trust.

RESOLVED that

- (1) the report and the Strategic Risk profiles attached at Appendix A to the report; be noted; and
- (2) the revisions to the Strategic Risk Register (paragraphs 4 and 5 of the report), be noted.

33 CHANGES TO THE ARRANGEMENTS FOR THE APPOINTMENT OF EXTERNAL AUDITORS

The Committee considered a report which summarised the changes to the arrangements for appointing External Auditors following the closure of the Audit Commission and the end of the transitional arrangements at the conclusion of the 2017/18 audit, and makes recommendations for the future appointment of external auditors by the Council. The regulations relating to external audit appointments required that any decision to opt-in to a sector-led procurement option had to be made by the full Council.

The Council's current external auditor was KMPG and the arrangements come to an end on 31st March 2018 and the Council would move to local appointment of its external auditor.

The Council had until December 2017 to appoint its external auditors.

The Head of Internal Audit outlined the following options open to the Council by which the appointments could be made, which were provided for in more detail at paragraphs 12 to 15 of the report:-

- To make a stand-alone appointment
- Set up a joint Auditor Panel/local joint procurement
- Opt-in to a sector led body

The Committee considered the 3 options and endorsed the recommended option to opt-in to a sector led body.

RESOLVED that

- (1) the options for appointing External Auditors from April 2018 resulting from the Local Audit and Accountability Act 2014, and the advantages and disadvantages of each option, be noted; and
- (2) a recommendation to the full Council in January 2017 to appoint the Public Sector Audit Appointments Ltd to negotiate and appoint the External Auditor for Doncaster Council, be supported.

34 INTERNAL AUDIT TEAM - FRAUD RISK REGISTER AND COUNTER FRAUD INITIATIVES REPORT - (Minute No. 19 – 17th August, 2016)

Further to the above Minute, the Committee considered a report which built on the Counter Fraud report presented to the Committee in August and was intended to give the Audit Committee:-

- an understanding of the fraud risks that the Council was currently exposed to;
- an assessment of the Council's current compliance with the CIPFA Code of Practice for Managing Fraud and Corruption;
- an understanding of the innovative work being undertaken in the field of data matching and data analytics to prevent and detect fraud for the Council.

The Council had identified, 30 high level types of fraud (fraud risks) to which it is exposed. Inherent risk ratings had been assessed for all of these risks and work was underway to agree final residual risk ratings for all risks. New fraud risks continued to emerge all the time, particularly in the field of cyber-crime/cyber-fraud. Maintaining resilience to these risks was key to protecting the public purse and the interests of the Council and the citizens that it serves.

The Council had assessed itself as compliant with the Code of Practice on Managing Fraud and Corruption. Members noted that 2 actions remained on going but were not considered to fundamentally affect compliance with the Code. These actions included finishing the assessment of residual fraud risk and to launch the previously delivered face to face fraud training undertaken in February/March 2016 in electronic format to the rest of the Council. These actions were considered to be progressed to a sufficient stage to meet the requirements of the code or are covered (in the case of the electronic training) by other training provisions delivered in the last 12 months.

It was reported that good progress was being made within the Council with regard to producing a Risk Register and showed that against the CIPFA Code, the Authority was compliant in managing fraud and corruption.

In response to a question from Members, Colin Earl, Head of Internal Audit reported that the risk register had been developed following extensive engagement with Service Managers. He stated that a report would be submitted to the next meeting on how identified risks were managed. In addition, Members were informed that the next pre-meeting training session of the Committee was to focus on anti-fraud in more detail.

Kathryn Smart enquired whether the Council had the right skills in place to prevent cyber fraud and Malware attacks. Members were informed that the Information Risk Officer and the Information Governance Group were continually looking at the threats that were emerging and ensuring the Council had got the appropriate safeguards in place to prevent such risks. The Council was aware of other authorities who had suffered from attacks and had been held to substantial ransoms. It was acknowledged this was a real risk, particularly in terms of a financial risk as well as control and loss of the Council's security.

Awareness raising of these risks was considered critical and a range of measures were being put in place to address this including, the development of an electronic training package and it was anticipated that this was to be rolled out to management in January 2017.

RESOLVED

- the draft fraud risk register for the Council, be endorsed;
- to support further developments in the field of data matching and data analytics and;
- to note the Council's assessment of its compliance with the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption.

35 EXTERNAL AUDITOR'S (KPMG) ANNUAL AUDIT LETTER 2015/16 – (Minute No. 16 – 17th August, 2016)

Further to the above Minute, the Committee received a report, which referred to KPMG's Annual Audit Letter for 2015/16, which signified the formal sign off of the audit to the Audit Committee. The report detailed that in signing off the Audit, the external auditor had:-

- issued an unqualified opinion on the Council's core financial statements and associated disclosure notes included in the Council's 2015/16 Statement of Accounts;
- concluded that the Council made appropriate arrangements to secure financial resilience and economy, efficiency and effectiveness in the use of its resources; and
- issued an audit certificate to demonstrate that the full requirements of both the Audit Commission's Code of Audit Practice and the Audit Commission Act 1998 have been discharged for the year.

Members noted that there were no high priority recommendations resulting from the 2015/16 audit work and only one medium priority recommendation in relation to the valuation of the Waste Management PFI Contract. This would be re-valued and recognised at its up to date value in 2016/17 financial statements.

Members welcomed the report and were pleased to note that the Council had received an unqualified opinion.

In response to a query with regard to paragraph 2 of page 155 of the Annual Audit Letter, where reference was made to KMPG's network of independent member firms being affiliated with KMPG International Cooperative (KMPG International) being a 'Swiss entity', the Chief Financial Officer and Assistant Director of Finance undertook to look into this matter.

RESOLVED that

- (1) the contents of the Annual Audit Letter, be noted; and
- (2) the overall significant and positive progress made by the Council, be noted.

36 INTERNAL AUDIT PLAN 2016/17 - PROPOSED REVISIONS - (Minute No. 54 – 7th April, 2016 and Minute No. 17 – 17th August, 2016)

Further to the above Minute's Colin Earl, Head of Internal Audit presented a report which proposed revisions to the 2016/17 Internal Audit Plan.

Members noted that the Head of Internal Audit had considered the changes and was satisfied that the changes to the plan and the current level of resource was sufficient to provide an opinion at the end of the year to the Audit Committee and the Chief Financial Officer and Assistant Director of Finance on the adequacy of the Council's control environment.

Paragraph 4.2 of the report set out the proposed revisions to the Audit Plan for November, 2016. In addition, new reviews proposed to be added to the Audit Plan and those audits that had been removed from the original plan as agreed at the Committee's meeting in April, on the basis of an assessed lower risk rating, which were to be reassessed as part of the planning process for the 2017/18 Audit Plan, were outlined in Paragraphs 4.3 to 4.4 of the report.

RESOLVED to note:

- (1) the proposed revisions to the 2016/17 Internal Audit Plan; and
- (2) that the Head of Internal Audit had considered these changes and was satisfied that the proposed changes to the plan and the current level of resource was still sufficient to provide an opinion at the end of the year to the Audit Committee and the Chief Financial Officer and Assistant Director - Finance on the adequacy of the Council's control environment.

CHAIR: _____

DATE: _____