

Minutes of the meeting of the **AUDIT, RISK AND G.D.P.R. SUB-COMMITTEE** held in the Council Chamber, Council Offices, School Aycliffe Lane, Newton Aycliffe, on **WEDNESDAY, 10<sup>th</sup> APRIL 2019 at 6.00 p.m.**

**PRESENT**                      **Councillor P.J. Bergg (Chairman)**  
Councillors M. Ashcroft, Arun M. Chandran, J. Clark,  
George C. Gray and Dave Hardaker

**OFFICERS**                    Mr. A. Bailey (Town Clerk)  
Mr. D. Austin (Finance Manager)  
Mrs. K. Bertram (Internal Auditor)  
Miss. A. Donald (Town Clerk's PA)

17.     **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Wendy Hillary, M. Iveson and Mrs. S.J. Iveson.

18.     **MEMBERS' DISPENSATIONS**

No requests for dispensations had been received.

19.     **DECLARATIONS OF INTEREST**

There were no declarations of interest made.

20.     **PUBLIC QUESTIONS**

There were no public questions.

21.     **MINUTES**

It was proposed by Councillor J. Clark, seconded by Councillor M. Ashcroft and

**RESOLVED** – that the minutes of the meeting of the Audit, Risk and G.D.P.R. Sub-Committee, held on the 7<sup>th</sup> November 2018, be confirmed as a correct record.

22.     **INTERNAL AUDITOR'S REPORT**

The Internal Auditor submitted a report to update Members on the work completed by her for the period 27<sup>th</sup> October 2018 to 31<sup>st</sup> March 2019 and to update Members on the completion of the Internal Audit Plan for 2018/19.

The Internal Audit Plan had achieved 89 out of 108 days and had not been fully completed by the Internal Auditor due to a period of absence.

The following audit examinations had been undertaken. Audits on a) to g) were ongoing throughout the year, audits a) to d) would be finalised and a report made at the next meeting. Audits h) to i) had been completed and reports issued.

- a) Salaries and Wages
- b) Sports Complex
- c) Bar and Catering
- d) Golf Complex
- e) Creditor Payments
- f) Debtors

- g) G.D.P.R.
- h) Fun in the Parks
- i) VAT
- j) Treasury Management
- k) Tendering
- l) Cash and Banking

A full description of the audit works carried out was set out in the report. The Internal Auditor had made a recommendation on section k) as set out below:

k) Tendering - (1 recommendation)

- (i) It was recommended that quotes for procurement should be kept for at least one financial year, for audit purposes.

This was agreed.

Audit Reports Issued with no Recommendations

Audits of Treasury Management, VAT, Fun-in-the-Parks, Cash and Banking, Creditor Payments and the Debtors System had been carried out. There were no recommendations.

Ongoing Internal Audits

Audits of Salaries and Wages, Golf Complex, Sports Complex, Bar and Catering and GDPR were ongoing and would be reported on at a subsequent meeting.

One interim recommendation was made on the Bar and Catering:

- (i) That the Audit, Risk and G.D.P.R. Sub-Committee should consider if a proposed change by the Leisure Manager to recording stock on stock cards should be limited to frozen food and fresh meat for a trial period of three months.

The Sub-Committee recommended that this be agreed.

Aycliffe Festival Special Investigation

Members received an update on an investigation regarding the submission of fraudulent invoices from a grant recipient. The Internal Auditor made the following recommendations:

- (i) That no further action be taken to recover part of the grant.
- (ii) That the Council considers putting in place a policy for grants and donations, with specific guidance regarding the evidence required to substantiate grant payments and donations.

Following discussion it was agreed that no further action should be taken to recover the grant. It was also agreed that a policy of undertaking a basic credit check on an individual requesting a grant above a financial threshold to supply an event should be put in place.

**RESOLVED** – that it be recommended that

- (i) The Internal Auditor's report be received.
- (ii) Quotes for procurement should be kept for at least one financial year for audit purposes.
- (iii) The recording of catering stock on stock cards be limited to frozen food and fresh meat for a trial period of 3 months.
- (iv) No further action be taken to recover the grant related to Aycliffe Festival
- (v) A policy of undertaking a basic credit check on an individual requesting a grant above a financial threshold to supply an event should be put in place.

23. **RISK ASSESSMENTS**

The Town Clerk submitted a report providing information for the purpose of monitoring the Council's Risk Management Strategy. It was noted that no new risk had been included in the Council's Risk Register since the last Audit, Risk and G.D.P.R. Committee on the 7<sup>th</sup> November 2018.

The Performance Management Group had undertaken a full review of the business risks on the Risk Register, which had been considered and accepted by the Policy and Resources Committee on 6<sup>th</sup> March 2019 and subsequently ratified by Council on the 13<sup>th</sup> March 2019.

**RESOLVED** – that the report be received.

24. **GENERAL DATA PROTECTION REGULATION UPDATE**

The Town Clerk gave a verbal report advising members that there had been no breaches under the General Data Protection Regulation.

**RESOLVED** – that the verbal report be received.

**CHAIRMAN.**