

Audit and Governance Committee

**Minutes of the meeting held in the Court Room at Eastbourne Town Hall,
Grove Road, Eastbourne, BN21 4UG on 6 March 2019 at 6.00pm**

Present:

Councillor Dean Sabri (Chairman)

Councillors Troy Tester (Deputy-Chair), Penny di Cara, Tony Freebody and Barry Taylor

Officers in attendance:

Oliver Dixon (Senior Lawyer and RIPA Monitoring Officer)

Pauline Adams (Head of Finance)

Jackie Humphrey (Audit Manager)

Brian Mew (Interim Deputy Chief Finance Officer)

Jennifer Norman (Committee Officer)

Also in attendance:

Ben Sheriff (Representative from Deloitte)

52 Minutes

The minutes of the meeting held on 28 November 2018 were submitted and approved, and the Chair was authorised to sign them as an accurate record.

53 Apologies for absence

An apology for absence had been received from Councillors Margaret Robinson and Paul Metcalfe. Councillor Freebody declared that he was acting as substitute for Councillor Metcalfe for the duration of the meeting.

54 Declarations of Disclosable Pecuniary Interests (DPIs) by Members as required under Section 31 of the Localism Act and of other interests as required by the Code of Conduct

There were none.

55 Questions by members of the public

There were none

56 Urgent items of business

As a matter of urgency and with the Chair's approval, the Committee received the supplementary report *External Auditor's Planning report for the year ending 31 March 2019*, as detailed in Minute No 57.

57 External Auditor's Planning report for year ending 31 March 2019

The Committee received the report of Deloitte, the Council's new external auditors, which detailed the planning report for the year ending 31 March 2019.

Deloitte participated in a handover meeting with the Council's outgoing external auditors, BDO LLP, during which BDO's previous audit files and reports of the Council were reviewed.

Deloitte developed the report to ensure that it provided effective audit services that met the Committee's expectations and focused on the most significant areas of importance and risk that the users of the Council's statement of accounts.

The Committee welcomed working with Deloitte in the future.

Resolved: (Unanimous) That the report be noted.

58 Internet and Social Media Research and Investigations - policy and procedure

The Committee received the report of the Assistant Director of Legal and Democratic Services which sought the approval of the Council's draft policy on conducting internet and social media research and investigations, and the authority for creating and issuing an associated procedure.

The RIPA (Regulation of Investigatory Powers Act 2000) Monitoring Officer (MO) explained that the overriding purpose of the report was to ensure that Council Officers operated professionally and lawfully, particularly in regards to an individual's privacy. Surveillance techniques used professionally and lawfully could produce effective intelligence, especially in the detection and prevention of crime. The RIPA MO reminded the Committee that the Council already had a document which dealt with surveillance but the document did not adequately address the issues specific to online activity and surveillance.

Discussion included:

- The Committee sought reassurance that any data which was not found to be relevant to ongoing research/investigations and/or legal action would be destroyed. The RIPA MO confirmed that any such data would be destroyed in line with the General Data Protection Regulation (GDPR) principles of data minimization.
- That the RIPA MO explain in more detail section 6 of the draft policy (appendix 1 to the report), as the Committee agreed that the details surrounding private information were not sufficient. The RIPA MO highlighted that the importance of section 6 was protecting the privacy of any individual the Council might look at as part of an investigation. He proposed, and the Committee agreed, that a provision would be added to section 6, making it clear that where an officer considers that research may interfere with a person's right to privacy, he/she must obtain authorisation before proceeding; and the authorising officer must be satisfied the proposed interference is lawful, before consenting to its use.
- Internal auditing regarding cases which used covert and online surveillance. Officers confirmed that internal auditing would take place where appropriate.

Resolved: (Unanimous)

1. That Eastbourne Borough Council's Internet and Social Media Research and Investigations Policy as set out in draft in appendix 1 be approved, subject to section 6 being amended as above; and
2. That the Director of Service Delivery be delegated authority by the Committee to develop, implement and ensure compliance with an Internet and Social Media Research and Investigations Procedure for Eastbourne Borough Council.

59 Internal audit report to 31st December 2018

The Committee considered the report of the Audit Manager regarding a summary of the activities of internal audit for the first three quarters of the year 1 April 2018 to 31 December 2018. A list of all final audit reports issued from 1 April 2018 to 31 December 2018 and the level of assurance attained were detailed in the report.

The Committee queried the audit review of car parking as set out in appendix b, as the information indicated that the level of follow up which was scheduled for completion in February 2019, had not yet been completed.

The Audit Manager explained that the target date had not been met due to her team lacking an adequate number of staff and because the team had been concentrating on the annual audit.

The Committee wished to express its thanks to the Audit Manager and her team for all of their hard work.

Resolved: (Unanimous) That the report be noted.

60 Draft internal audit plan for 2019/20

The Committee considered the report of the Audit Manager regarding the draft internal audit plan for 2019/2020 as detailed in the report.

Resolved: (Unanimous) That the proposed internal audit plan for 2019/2020 be approved.

61 BDO grant claims and returns certification report 2017/18

The Committee considered the report of the Council's outgoing external auditors, BDO, regarding the key findings in respect of the certification of grant claims and returns for the financial year 2017/2018.

The key findings, along with other certification work and a summary of the fees charged were outlined in the report.

Several members of the Committee expressed their displeasure at not having adequate time to review the report due to the report being received as a late item. The Audit Manager explained that the Council had been working to get the subsidy signed off by BDO, but due to extenuating circumstances, BDO was unable to provide the report within the statutory deadlines. The Head of Finance highlighted that the report was to note and did not require any decisions to be made by the Committee.

Resolved: (Unanimous) That the report be noted, subject to any further questions the Committee had regarding the report to be addressed at its next meeting on 24 July 2019.

The meeting ended at 6.55pm.

Councillor Dean Sabri (Chairman)