

# DURHAM COUNTY COUNCIL

At a Meeting of **Audit Committee** held in **County Hall, Durham** on **Monday 30 September 2019 at 10.00 am**

**Present:**

**Councillor E Bell (Chair)**

**Members of the Committee:**

Councillors J Rowlandson (Vice-Chair), C Carr, J Clark, J Nicholson and O Temple

**Co-opted Members:**

Mr C Robinson

**1 Apologies for absence**

An apology for absence was received from Councillors Kellett, J Robinson, Shuttleworth and Mr Rudd

**2 Minutes**

The minutes of the meeting held on 31 July 2019 were agreed as a correct record and signed by the Chair.

**3 Declarations of interest**

Declarations of interest were provided by Members. A general declaration of interest would be recorded given that Members were school governors, members of various Committees of the Council, former District Councillors and bodies such as the Fire Authority.

**4 2018/19 Annual Health, Safety and Wellbeing Performance Report**

The Committee received an annual report from the Occupational Health and Safety Manager that provided an update on performance for 2018/19 on health, safety and wellbeing (for copy see file of Minutes).

Members were advised that approaching 200 mental health first aiders had been employed and would cover a range of sites to provide support in relation to mental health and to raise awareness. The number of reported incidents remained static with 94% of all reported incidents indicating minor injury and just under 4% being RIDDOR reportable. There had been two

Health and Safety Executive (HSE) interventions which were resolved promptly and there continued to be an increase in water related fatalities however they were not attributed to previous fatal incidents. This continued to be a targeted high risk area.

Councillor Temple asked for details on the HSE interventions and the Occupational Health and Safety Manager explained that one was following a planned visit to a construction site and picked up on housekeeping issues, such as materials being left on the floor. This led to low level intervention. The second was an isolated incident relating to the cutting of kerb stone without dust compression on the machine, and had been dealt with effectively.

Following a question from Councillor Carr regarding defibrillators, the Occupational Health and Safety Manager advised that a review of provision was carried out three years ago and they were placed at the highest footfalls. He added that there were an additional 11 defibrillators located across the different Council sites as a result of the review.

Councillor Clark was pleased to hear that the counselling service was also available for family members, and further to a question about the service was informed that the majority of interaction was over the telephone.

Referring to page 3 of the report, Mr Robinson asked if this flowchart was shared with employees as provided an excellent overview of the work being undertaken. He suggested that this could be a useful tool to generate conversations and trigger connections. The Occupational Health and Safety Manager responded that this would be cascaded via service representatives and service H&S forums.

The Chair asked if the accident and incident rates were down as the number of staff had reduced. He was advised that the figures did take account of this.

**Resolved:**

That the report be noted.

## **5 Quarter 1 2019/20 Health, Safety and Wellbeing Performance Report**

The Committee received a report from the Resources Health, Safety and Wellbeing Strategic Group that provided an update on health, safety and wellbeing performance for quarter one of 2019/20 (for copy see file of Minutes).

The Occupational Health and Safety Manager highlighted the key areas of the report including:

- Open Water Safety
- Employee Health and Wellbeing
- RIDDOR reportable incidents
- Potentially Violent Persons Register (PVPR)
- Fire Safety Audits
- Fire Incidents
- Health and Safety Team Audit & Inspections

**Resolved:**

That the report be noted.

## **6 Children and Young People's Services**

The Chair introduced the new Corporate Director of Children and Young People's Services to the Committee, who was present to give an update on the challenges faced by the service.

The Corporate Director of Children and Young People's Services advised that there continued to be significant pressures on the Children's Care budget due to the increased number of young people in the care system. There were increased costs associated with external foster care placements as the numbers of looked after children also increased. He went on to describe the pressures in Special Educational Needs and Disability budgets as the complex health needs and challenges in mainstream schooling increased.

Home to School transport was another area facing budgetary pressures as the County covered large geographical areas, and the Corporate Director advised that a lot of work had been carried out over the last 12 months to manage the budgets around demand.

The Chair thanked the Corporate Director for attending the meeting.

## **7 Annual Audit Letter 2018/2019**

The Committee received the Annual Audit Letter 2018/19 from Mazars summarising the audit of Durham County Council and Durham County Council Pension Fund (for copy see file of Minutes).

Mr Kirkham, Mazars advised that the findings were as discussed at the July 2019 meeting. Mazars would continue to work with the Council throughout 2019/20 focusing on the risks that the challenges present to the financial statements.

In response to a question from Councillor Temple regarding unquoted equity investments, Mr Kirkham explained that they varied their approach to be able to gain the assurance required. He added that the significant risk was due to a timing difference, as more up to date information was available when carrying out the audit and the balance sheet was updated to take account of that. Mr Kirkham went on to advise that unquoted investments were categorised as a significant risk and we needed to trade off expected increases in return.

**Resolved:**

That the comments and fees illustrated within the External Auditor's Annual Audit letter and report be noted.

## **8 Internal Audit Progress Report Quarter Ended 30 June 2019**

The Committee considered a report of the Chief Internal Auditor and Corporate Fraud Manager which informed members of the work carried out by Internal Audit during the period as part of the 2017/2018 Internal Audit Plan (for copy see file of Minutes).

The Chief Internal Auditor and Corporate Fraud Manager highlighted the movements in the plan, removed audits and unplanned reviews added to the plan. The Committee were advised that 23.8% of the total plan had been delivered, exceeding the target of 22.5%. There had been 3 audits finalised in the quarter that had been issued a limited assurance opinion. With reference to the survey response rate an average score of 4.6 out of 5 was given from service groupings. The summary of progress on the actions due were highlighted and members were informed that 96% of actions had been implemented.

**Resolved:**

- (i) That the amendments made to the 2018/2019 Annual Internal Audit Plan, be noted.
- (ii) That the work undertaken by Internal Audit during the period ending 30 June 2019 be noted.
- (iii) That the performance of the Internal Audit Service during the period, be noted.
- (iv) That the progress made by service managers in responding to the work of Internal Audit, be noted.

## **9 Exclusion of the public**

**Resolved:**

That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds

that it involves the likely disclosure of exempt information as defined in paragraphs 2 and 3 of Schedule 12A to the said Act.

## **10 Internal Audit Progress Report Quarter Ended 30 June 2018**

The Committee considered Appendices 6 and 7 of the report of the Chief Internal Auditor and Corporate Fraud Manager which detailed the actions agreed by managers in response to internal audit recommendations that were outstanding (for copy see file of Minutes).

Members were advised that there were three audits finalised in the quarter that had been issued with a limited assurance opinion. In addition, during the period four follow up audits had been completed.

The Committee received assurances on outstanding actions from the Strategic Manager for Culture and Sport.

### **Resolved:**

That the report be noted.