

Minutes of a Meeting of the Audit Committee held on 5 September 2018 from 7:00 p.m. to 7:20 p.m.

Present: John Belsey (Chairman)
Ruth de Mierre (Vice-Chairman)

Anne Boutrup * Andrew Lea
Tony Dorey * Linda Stockwell
 Neville Walker

* Absent.

Also in Attendance: Chris Bower, Senior Auditor, Crawley Borough Council
Peter Stuart, Head of Corporate Resources and Section 151 Officer
Alison Hammond, Democratic Services Officer

1. SUBSTITUTES AT MEETINGS OF COMMITTEE – COUNCIL PROCEDURE RULE 4

None.

2. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Boutrup and Dorey and Gillian Edwards, Audit and Risk Manager.

3. DECLARATIONS OF INTEREST

Councillor Andrew Lea declared a personal interest as a serving Member of West Sussex County Council.

4. MINUTES

The Minutes of the meeting of the Committee held on 24 July 2018 were agreed as correct record and signed by the Chairman after an adjustment was made to item 11 Committee Work Programme 2018/19. The date of the next meeting is 20 November 2018.

5. URGENT BUSINESS

None.

6. INTERNAL AUDIT MONITORING REPORT 30 JUNE 2018

Chris Bower, Senior Auditor, introduced the report which updated Members on the progress of the 2018/2019 Internal Audit Plan and on the progress made in implementing previously agreed recommendations. The Auditor advised that the National Fraud Initiative (NFI) Data Matching was ongoing and an update will be provided at the next Committee meeting in November 2018.

Tech Forge is now working, as confirmed by the Head of Corporate Resources and further updates are not required. A Member queried whether it was working as expected and the Auditor advised that Corporate Estates were using Tech Forge and they were content.

In response to a Member's question on the need for further training for the payroll team, the Auditor advised that they were completing additional work on XCD. A post-implementation presentation will be provided in November which will include what went well, what did not and any further training needs.

He advised that Gillian Edwards, Audit and Risk Manager, had gained some information from the Chartered Institute of Internal Auditors regarding cyber-security which was detailed in the report.

The Chairman asked whether Mid Sussex District Council needed to get insurance to protect against cyber-attacks and if the Council was in-line with other authorities. Peter Stuart, Head of Corporate Resources, told the Committee that he had spoken to Chris Mann at Worthing Council and Zurich Insurance, the Council is already covered and the listing for "perils" has been extended to include cyber-attacks, so a claim could be made in the event of an attack.

In response to a Member's comment that the final sentence was incomplete in the second paragraph concerning Ransomware, he advised that he would report back at the next meeting and also advise on how the Council could mitigate against such attacks.

A Member asked about Council staff using Google and he advised that it needed to be more closely supervised. Another Member advised that it did not matter what website was being used as the Council's computer system was under constant attack. He asked if the Council had a policy concerning use of computers and was the use of the internet monitored. He also asked if the Council could insure against costs and losses, that a loss could also be incurred by the subject of any data breach and did the Council hold details of credit/debit cards. The Head of Corporate Resources confirmed that there is the General Guideline for Internet Usage which all staff had to read and that when payments are taken card details are only held by a third party.

A Member asked if there was an ongoing process to ensure protection. In addition several Members asked what were the management's processes to manage these threats and how do they keep pace with new threats. The Auditor advised that all staff were well educated and this should possibly be a matter for a Scrutiny Committee. The Head of Corporate Resources commented that the matter should be referred to Simon Hughes, Head of Digital and Customer Services to answer to the Scrutiny Committee for Customer Services and Service Delivery. In response a Member asked if there was sufficient training to keep up to date with recent threats and how often are the malware logs reviewed; there should be a sufficient level of expertise to scrutinise the logs properly. The Auditor confirmed this would be looked at and reported on at the next meeting.

A Member suggested a working group of Members and officers to regularly review this topic as some Members have considerable expertise in this area. The Chairman advised that the Scrutiny Committee would review and make a decision. The Vice-Chairman reminded the Committee that this was not in the remit of this Committee and agreed with the Chairman's suggestion.

RESOLVED

The Committee received and noted the report.

7. COMMITTEE WORK PROGRAMME 2018/19

Members were asked to note the Work Programme and the Capital Strategy Report was added to the agenda for the 20 November meeting.

RESOLVED

That the Committee Work Programme for 2018/19 be noted accordingly.

8. QUESTIONS PURSUANT TO COUNCIL PROCEDURE RULE 10.2 DUE NOTICE OF WHICH HAS BEEN GIVEN.

None.

Chairman.