

Minutes of the Audit and Standards Committee Meeting held on 13 July 2021

Present: Mike Worthington (Chairman)

Attendance

Carolyn Trowbridge (Vice-Chairman)	Phil Hewitt
Bernard Williams	Janice Silvester-Hall
Ann Edgeller	Ian Wilkes
Richard Ford	Arshad Afsar
Philippa Haden	

Apologies: Ross Ward, Graham Hutton, Bernard Peters, James Salisbury, Conor Wileman and Ian Parry

PART ONE

71. Declarations of Interest

Resolved – Mr Arshad Afsar placed on record his owing of a taxi company which delivers school transport for the local authority.

Resolved – Mrs Ann Edgeller placed on record her position as a school governor.

72. Minutes of the Meeting held on 12 April 2021

RESOLVED – That the minutes of the meeting held on 12 April 2021 be approved as a correct record and signed by the Vice Chairman.

73. Review of Changes to the Constitution

RESOLVED – That the Changes to the Constitution be approved.

74. Standards Panel Membership 2021/22

Chris Ebberley updated the Committee on the membership of the Standards Panel Membership 2021/22.

RESOLVED – That the Standards Panel Membership 2021/22 be approved and comprise Philippa Haden, Graham Hutton, Carolyn Trowbridge, Bernard Williams and Mike Worthington.

75. Staffordshire County Council - Provisional Audit Planning Report

Helen Henshaw (Ernst & Young) attended the meeting for this item and presented the Staffordshire County Council - Provisional Audit Planning Report.

Regarding the increased EA fee of £183,000, it was asked what the is scope for reviewing / changing the fee and in order to agree to that fee, we would need absolute assurance that the reports and accounts would be completed on time.

It was reported that the situation with the backlog of audits is affecting the whole industry and is a national issue. It is not something that is going to be turned around in the short term. We are looking to recruit and are doing everything we can to work through the backlog.

Rob Salmon commented that SCC have not yet approved the new fee and will not until we have the necessary assurances that work will be completed. The current audit will be used to gauge performance and progress.

RESOLVED – That the Staffordshire County Council - Provisional Audit Planning Report be approved.

76. Staffordshire Pension Fund - Outline Audit Plan

Hassan Rohimun (Ernst & Young) attended the meeting for this item and presented Staffordshire Pension Fund - Outline Audit Plan.

RESOLVED – That the Staffordshire Pension Fund - Outline Audit Plan be noted.

77. Information Governance Annual Statement

Natalie Morrissey attended the meeting for this item and presented the Information Governance Annual Statement.

It was queried how are information breaches reported. The response was that we do have a robust process which includes an online form whereby an assessment is made.

It was asked how risks from home working are being assessed. It was reported that there was an initial rise in April last year but it's hard to correlate that this was caused by home working or as a result of awareness and training. The rise has levelled off now.

RESOLVED – That the Information Governance Annual Statement be noted.

78. Proposed Internal Audit Strategy & Plan 2021/22

Debbie Harris presented the Proposed Internal Audit Strategy and Plan 2021-22.

The Internal Audit Plan has been prepared in line with the Audit Strategy detailed in the report on page 3 of Appendix 1.

Members asked if elaboration could be given on the schools audit programme. It was reported that 20 audits take place throughout year of Pupil Referral Units (PRUs) primary, secondary and special schools. Academies can choose to buy in to the audit programme.

It was queried whether children in care should be considered to be a key risk by audit.

The children's transformation programme picks up children in care. 2020/21 work programme did pick up several children related audit activities and children's transformation has previously been considered a top risk review area (governance and place based approach).

Members commented on how well the Internal Audit Team have performed despite the year just gone.

Members considered whether the apprenticeship levy is the best way to attract the right people to the organisation.

It was reported that IA currently have two apprenticeships undertaking Chartered Institute IA qualification. Attracting and developing staff via apprenticeships is a good way to build resilience within the service and to retain good staff.

Members questioned whether work with South Staffordshire District Council will help Parish Councils reduce high precepts as has been the case this year with at least one Parish Council this year.

It was reported that IA work only covers SSDC and not Parish Council Activity.

Regarding work on Children's Mental Health, and the new contract for Children's mental health services, members asked for more details to be provided. The CIA agreed to provide to provide this and circulate to members of the committee. In relation to the the Mental Care Act - Section 117 payments, members questioned how the money is being spent with identified at risk individuals.

It was reported that the audit will pick up on how these monies have been spent.

RESOLVED – That the Proposed Internal Audit Strategy & Plan 2021/22 be endorsed and recommend approval of the Internal Audit Plan for 2021/22 to the County Treasurer.

79. Code of Corporate Governance

Lisa Andrews presented the Code of Corporate Governance.

A detailed review of the Code of Corporate Governance (and Single Sheet Local Framework) has been undertaken by the Council's Corporate Governance Group following the publication of the 2016 Delivering Good Corporate Governance in Local Government Framework. There are seven core principles which are listed below:

a. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

- b. Ensuring openness and comprehensive stakeholder engagement.
- c. Defining Outcomes in terms of sustainable economic, social and environmental benefits.
- d. Determining the interventions necessary to optimise the achievement of the intended outcomes.
- e. Developing the entity's capacity, including the capacity of its leadership and the individuals within it.
- f. Managing risks and performance through robust internal control and strong public financial management.
- g. Implementing good practices in transparency, reporting and audit to deliver effective accountability.

RESOLVED – That the Code of Corporate Governance be approved.

80. Internal Audit Outturn Report 2020-21

Debbie Harris presented the Internal Audit Outturn Report 2020-21.

This report outlines the work undertaken by Internal Audit in respect of the 2020/21 annual plan.

Pleasing that we recouped the fraud balance outlined, what is the case with the Purchase Card fraud incident.

Response: Monies from the Purchase Card fraud case have been returned via the Council's Insurers (less the excess).

Based on Internal Audit's work for 2020/21, an "Adequate Assurance" opinion was given on the overall adequacy and effectiveness of the organisation's governance, risk, and control framework, i.e. the control environment in 2020/21.

RESOLVED – That the Internal Audit Outturn Report 2020-21 be noted.

81. Code of Conduct for Members – Report on the Management of Complaints (October 2020 – May 2021)

Chris Ebberley presented the Code of Conduct for Members – Report on the Management of Complaints (October 2020 – May 2021).

In this reporting period 14 complaints were received and concluded. Details of the 14 complaints and agreed action are shown at Appendix 1 to this report.

There two additional complaints referenced in the report are now concluded.

1. The complainant didn't want to follow up
2. The member in question is to receive training on code of conduct and declarations of interest.

Members asked whether we will continue to review the member code of conduct in light of any further changes from government.

It was reported the code of conduct will always take on board legislative changes or areas of best practice.

RESOLVED – That the Code of Conduct for Members – Report on the Management of Complaints (October 2020 – May 2021) be noted.

82. Forward Plan 2021/22

Lisa Andrews presented the Audit and Standards Committee Forward Plan 2021/22.

RESOLVED – That the Forward Plan be noted.

83. Exclusion of the Public

RESOLVED – That the public be excluded from the meeting for the following items of business which involve the likely disclosure of exempt information as defined in the paragraph of Part 1 of Schedule 12A (as amended) of the Local Government Act 1972 as indicated.

84. Exempt Minutes of the meeting held on 12 April 2021

85. Minutes of the Standards Panel 23 April 2021

86. Internal Audit Outturn Report 2020-21 - Appendix 2 - Counter Fraud and Corruption Work

87. Update on Cyber Security

88. Governance and Culture of Cyber Security - Final Audit Report 2020-21

89. Sales 2 Cash (including Debt Recovery Function and Debt Management) - Final Audit Report 2020-21

90. Covid-19 - Infection Control Grant (Tranche One) - Final Audit Report 2020-21

91. SEND Transformation - Governance - Decision Making Process - Final Audit Report 2020-21

Chairman