

Audit and Standards Committee

Tuesday 22 February 2022
10:00am

The meeting will be webcast live which can be viewed at any time here:
<https://staffordshire.public-i.tv/core/portal/home>

John Tradewell
Director of Corporate Services
14 February 2022

A G E N D A

1. **Apologies**
2. **Declarations of Interest**
3. **Minutes of the Meeting held on 14 December 2021** (Pages 1 - 6)
4. **Appointment of Panel to select IRP Members and Independent Persons** (Pages 7 - 10)
5. **Review of the Constitution** (Pages 11 - 36)
6. **Internal Audit Charter 2022** (Pages 37 - 62)
7. **Forward Plan 2021/22 for the Audit and Standards Committee** (Pages 63 - 72)
8. **Exclusion of the Public**

The Chairman to move:-

"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 paragraphs of Part 1 of Schedule 12A (as amended) of the Local Government Act 1972 as indicated below".

PART TWO
(reports in this section are exempt)

9. **Exempt Minutes of the Meeting held on 14 December 2021 (exemption paragraph 3)** (Pages 73 - 74)
10. **Progress Report on the Recommendations contained within the Governance and Culture of Cyber Security Audit Report (exemption paragraph 3)** (Pages 75 - 80)
11. **Progress Report on the Outstanding Actions for the SEND Transformation - Governance (Decision Making Process) (exemption paragraph 3) (Report to Follow)**
12. **Progress Report on the Recommendations contained in the Taxi Investigation Report and Counter Fraud Review (exemption paragraph 3) (Report to Follow)**

Membership

Carolyn Trowbridge (Vice-Chairman)	Bernard Peters
Ross Ward	James Salisbury
Bernard Williams	Janice Silvester-Hall
Ann Edgeller	Ian Wilkes
Richard Ford	Mike Worthington (Chairman)
Philippa Haden	Conor Wileman
Phil Hewitt	Arshad Afsar
Graham Hutton	

Notes for Members of the Press and Public

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Minutes of the Audit and Standards Committee Meeting held on 14 December 2021

Present: Mike Worthington (Chairman)

Attendance

Carolyn Trowbridge (Vice-Chairman)	Bernard Peters
Bernard Williams	Janice Silvester-Hall
Graham Hutton	

Also in attendance: For all items - Lisa Andrews, Ann-Marie Davidson, John Tradewell and Debbie Harris,

Nicola Hope and Liz Kelay (minute no. 133), Becky Lee (minute no. 126) Rachel Spain (Minutes 122 & 123) and Hassan Rohimun (Ernst Young (external auditors)) (Minutes 124 & 125)

Apologies: Arshad Afsar, Ann Edgeller, Philippa Haden, Phil Hewitt, Ian Wilkes and Arshad Afsar

PART ONE

119. Declarations of Interest

There were no declarations of interest on this occasion.

120. Minutes of the Meeting held on 26 October 2021

RESOLVED – That the minutes of the meeting held on 21 October 2021 be confirmed as a correct record and signed by the Chairman.

121. Annual Governance Statement 2020-21

The Councils' Corporate Governance Framework sets out the culture, values, systems and processes by which it operates.

Lisa Andrews presented the draft Annual Governance Statement explaining that the Council was statutorily required to record the ways in which it complied with its Corporate Governance Framework.

The draft Annual Governance Statement summarised the effectiveness of numerous control and monitoring measures during 2020-21 and identified actions required to address priority and risk areas during the forthcoming

year. 12 Actions had been identified for 2021-22, the majority of which were a continuation of previous work on significant service areas and/or council wide issues such as furthering the climate change agenda.

Members particularly queried:

- the extent to which business continuity/succession planning at senior management level was being addressed. Assurances would be sought from the Assistant Director for People.
- The frequency of external inspections of Children's Services – reported to be 'unannounced' by Ofsted and expected in early 2023.

RESOLVED – That the Annual Governance Statement 2020-21 be approved.

122. Training Session - Understanding the Statement of Accounts

Rachel Spain gave a training update on the way in which the Annual Accounts for both Staffordshire County Council and the Staffordshire Pension Fund are compiled, briefly explaining accounting techniques and legislative requirements.

123. 2020/21 Statement of Accounts

Members considered the final Statements of Accounts for Staffordshire County Council and, separately, for the Staffordshire Pension Fund.

Rachel Spain briefly summarised the contents of each Statement highlighting the following:

Staffordshire County Council:

- There was an underspend of £1.883m (0.04% of the £542.4m budget);
- Additional costs associated with the ongoing COVID 19 Pandemic had affected budget planning and forecasting however Government Grants had offset overall increased spend. Quarterly monitoring reports were submitted to Cabinet
- Net Assets had reduced to £440.9m partly attributable to increased Pension Liability;
- The MTFS refresh was underway, building in Government intentions in relation to an Adult Social Care cost cap.

Staffordshire Pension Fund:

- A 29.7% increase in the Fund value as at 31 March 2021.

RESOLVED – That the Annual Accounts 2020-21 for Staffordshire County Council and for the Staffordshire Pension Fund be approved; the County Treasurer, in consultation with the Chairman, be authorised to make any

final amendments to those accounts as deemed necessary by the external auditors.

124. Report of those Charged with Governance (ISA 260) - Staffordshire County Council

Hassan Rohimun presented the external auditor's final report on their audit of the County Councils' accounts for year ended 31 March 2021 explaining its purpose and the methodology adopted.

He detailed a number of areas where the Council had been requested to amend its recording processes and indicated that subject to their completion, the external auditors had issued an unqualified opinion on the Accounts.

Querying reference to the recording of NDAs/Exit package information, a member was given an assurance that omissions in CIPFA required information would be addressed in future years.

RESOLVED – That the External Auditors report be accepted.

125. Report of those Charged with Governance (ISA 260) - Staffordshire Pension Fund

Hassan Rohimun presented the external auditor's final report on their audit of the Staffordshire Pension Fund's accounts for year ended 31 March 2021, indicating that no adjustments were deemed necessary and an Unqualified Opinion had been issued.

RESOLVED – That the external auditor's report on the Staffordshire Pension Fund's accounts be accepted.

126. Annual Report of Health, Safety and Wellbeing Performance 2020/21

Becky Lee gave a summary of the Health, Safety and Wellbeing Annual Report 2020-21, highlighting the considerable workload both within the County Council and with partner agencies, resulting from the COVID 19 Pandemic. Work had continued in other priority areas (eg inspections of high risk premises/services) and a number of new initiatives had been launched. There had been considerable emphasis on mental health wellbeing.

Presenting performance and absence statistics Becky Lee referred to the need to review the periods used for comparison due to the distortion of figures due to COVID 19.

Members:

- Commented on the considerable achievements of the team in supporting the Council and partners throughout the Pandemic
- Queried the inclusion of the 'Prevent agenda' in the Council's Health and Safety policies – it was confirmed that safety and anti terrorism guidance was built into information relating to front line staff and public buildings.

RESOLVED – that the Annual Report be noted.

127. Internal Audit Plan 2021 / 22 - Update

Deborah Harris reported on the delivery to date of the Audit Plan 2021/22 commenting on a number of additional work areas and the consequent need to reprioritise some projects with some cancelled internal audit reviews identified.

Whilst the recommendation tracker system showed that 2 high level recommendations (relating to SEND) were outstanding, updated reports were that they had now been actioned.

RESOLVED – That the report be noted.

128. Future of Local Public Audit

Lisa Andrews reported on the need to instigate a procurement exercise for the provision of external audit services to the Council with effect from 31 March 2023, when the current contract with Ernst Young would expire.

Lisa detailed the pros and cons of the 3 options available for the tendering exercise, commenting on the recognised national pressures facing the 'audit market'.

RESOLVED – That full Council be recommended to 'opt-in' to the Local Government Association Sector Led Body approach via Public Sector Audit Appointments Ltd (PSAA) for the procurement of the five year External Audit contract for the financial year commencing April 2023.

129. Review of the Constitution

John Tradewell and Ann-Marie Davidson detailed proposals to hold a member led working group to review and make recommendations to full Council, on the main body of the County Council's Constitution to better reflect current needs and practices, setting out a tight timescale for that work and inviting member interest in participation.

RESOLVED – That the following members be invited to participate in the Working Group:

Chairman, Vice-Chairman, P. Hewitt, G. Hutton, B. Peters, J. Silvester-Hall, C. Wileman and B. Williams.

130. Forward Plan 2021 / 22

RESOLVED – That this Committee’s Forward Plan for 2021-22 be noted.

131. 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 below.

132. Exempt Minutes of the Meeting held on 26 October 2021 (exemption paragraph 3)

RESOLVED – That the exempt minutes of the meeting held on 21 October 2021 be confirmed as a correct record and signed by the Chairman.

The Committee proceeded to consider the following item:

133. Special Guardianship Payments (paragraph 3)

Chairman

Local Members Interest
N/A

Audit and Standards Committee - Tuesday 22 February 2022

Special Panel of the Audit and Standards Committee for the appointment of Independent Remuneration Panel (IRP) members and Independent Persons (IPs) under the Localism Act 2011

Recommendation

I recommend that:

The Audit and Standards Committee appoint five Members to sit on the Special Panel of the Audit and Standards Committee for the purpose of recruitment of IRP Members and Independent Persons under the Localism Act 2011; such Panel to make recommendations to full Council on proposed appointees.

Report of the Director of Corporate Services

Background

Independent Remuneration Panel members

1. The County Council is required to establish and maintain an Independent Remuneration Panel to provide advice and recommendations to the Council on its Members' Allowances Scheme. The Panel meets each year to consider the recommendations to be made to the Council in respect of the level and nature of the forthcoming year's allowances.
2. At the County Council meeting held on 22 July 2021, it was agreed "That, if required, the Audit and Standards Committee be requested to carry out a recruitment exercise for IRP members in 2022."
3. As part of that process, this Committee is requested to establish a Special Panel of the Audit and Standards Committee consisting of five Members who will shortlist and interview the applicants before making recommendations to Full Council that the successful applicants be appointed to the Independent Remuneration Panel.
4. Shortlisting of Panel applicants is planned for week commencing 21 March 2022, with interviews planned for week commencing 28 March

2022, with a view to making recommendations to full Council on 19 May 2022.

5. The maximum number of people that can be appointed to the Independent Remuneration Panel is five. Panel members serve for a period of four years. Panel members can be re-appointed. There are currently three vacancies.

Independent Persons Under the Localism Act 2011

6. In compliance with the Localism Act 2011, the County Councils Code of Conduct for members requires the involvement of Independent Persons (IPs) in considering alleged breaches of the Code. An Independent Person has to be consulted by the Monitoring Officer at various stages of the complaint handling process. Separately, if the complaint is pursued, the member complained about has the right to seek the views of a different Independent Person.
7. Additionally, the Employment Rules for the Head of Paid Service, the Monitoring Officer and the Chief Finance Officer require Independent Persons to be included in the membership of any special committee which might make recommendations to Council on any disciplinary action against the holders of those posts.
8. At its meeting on 10 February 2022 Full Council resolved to request this Committee to carry out a recruitment exercise for at least one new Independent Person to add to the existing pool of 2 IPs. Similar to the process for the recruitment of IRP members, IPs have to be selected by a five member Panel of this Committee which will subsequently make recommendations to full Council.

Equalities Implications

N/A

Legal Implications

The Council will be complying with the Local Authorities (Members' Allowances) (England) Regulations 2003 and will be advised by independent people.

The report aims to ensure compliance with legislative requirements relating to the handling of complaints against members and in relation to any disciplinary action against the holders of specific Chief Officer posts.

Resource and Value for Money Implications

N/A

Risk Implications

Non-compliance with statutory regulation.

Climate Change Implications

N/A

List of Background Documents/Appendices:

N/A

Contact Details

Assistant Director: Ann-Marie Davidson

Report Author: Zach Simister
Job Title: MaDS Support Officer

Telephone No.: 01785 276901

E-Mail Address: Zachary.simister@staffordshire.gov.uk

Local Members Interest
N/A

Audit and Standards Committee – Tuesday 22 February 2022

Review of the Constitution

Recommendations

I recommend that the Committee:

- a. Consider and recommend to Council further changes detailed in Table 1 within the appendix to the report; and
- b. Review the changes described in Table 2 within the appendix, and as approved by the Director for Corporate Services under his delegated powers, and confirm their satisfaction with the same; and
- c. Review and note the further opportunities for supporting elected members to be explored by the Member and Democratic Services team.

Report of the Director for Corporate Services

Background

1. The Staffordshire County Council Constitution is a key governance document setting out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. Some of these processes are required by the law, while others are a matter for the Council to choose. The Constitution is divided into Sections which explain how the Council makes its decisions by outlining how the different parts of the Council work and the basic rules governing the Council's business.
2. The current constitution can be found at [Staffordshire County Council Constitution - Staffordshire County Council](#)
3. The Director for Corporate Services has the authority to make minor and consequential amendments to the Constitution. Material and significant changes to the Constitution are required to be approved by full Council. The full process for approving those involves an initial report to the Audit and Standards Committee where, under delegated powers from full Council, detailed discussions can take

place prior to that Committee submitting a recommendation to Council that any proposed changes be approved.

4. The content of the Constitution is regularly updated in response to circumstances, for example if a new Act of Parliament or changes in our arrangements needs to be reflected within the county council's governance. As such, updates tend to focus on specific sections or paragraphs. There is added value to be gained by periodically reviewing the Constitution as a whole in terms of its structure, language and clarity. Improvements to the Council's Constitution should help the Council to maintain good governance arrangements.
5. At the meeting of the Audit and Standards Committee on 14 December 2021, it was agreed that a working group be formed to consider possible areas for change. Not included within this work were the sections on Financial Procedure Rules and Procurement Regulations, because these sections have already been updated and brought through the governance process separately. Through this work we have also been able to review the Officers section of the Constitution and have made minor updates.
6. The working group met on the 18 January 2022 to shape a review of the county council's Constitution. The working group discussion was wide-ranging, and some of the points raised will become opportunities for working with members on improvements to our arrangements, but do not require changes to our constitution. These are included within table 3 for noting.
7. In addition to the working group, discussion was had with the Leader and Cabinet and an opportunity given to all elected members to offer their suggestions.
8. The remainder of this report is an appendix separated into three sections as follows:

Table 1. Areas of the Constitution where a change is advised, and that the Committee are asked to approve and recommend to Council

Table 2. Areas of the Constitution where a change is recommended that the Monitoring Officer is able to approve under his delegated powers

Table 3. Areas of the Constitution where items have been raised by members for further investigation, to be noted

9. Any changes in Table 1 approved by the Committee will be recommended to the County Council at its meeting on 17 March 2022. All approved changes in Tables 1 and 2 will then be made to the County Council's Constitution and published on the Council's website.

Equalities Implications

Review of wording within the Constitution allows for update to gendered language, for better inclusivity.

Legal Implications

The review will consider any additional changes needed and will ensure that the Constitution remains legally compliant.

Resource and Value for Money Implications

There are no specific resource or value for money implications in reviewing the constitution.

Risk Implications

It is compatible with good risk management to periodically review governance documents.

Climate Change Implications

None

List of Background Documents:

None

Contact Details

Report Authors: Ann-Marie Davidson, County Solicitor and Peter Barker, Member Programme Lead
SLT Lead: John Tradewell, Director for Corporate Services
Cabinet Member Lead: Alan White, Leader of the Council

Rec. no.	Section	Ref / Para No.	Change Type		
			Factual i.e. Title Change	Currently reads	Suggestion for Change
Table 1: Areas of the Constitution where a change is advised, and that the Committee are asked to approve and recommend to Council					
1	Throughout document	NA	Gender specific language	Gendered language exists throughout the document, e.g. "his Committee".	Throughout the Constitution, change gender specific titles such as him/her to they/them etc
2	2 The County Council's Constitution	5.1	Updated approach	"The Director of Corporate Services will give a printed copy of this Constitution to each member of the authority upon delivery of that individual's declaration of acceptance of office on the member first being elected to the Council."	"The Director of Corporate Services will draw to the member's attention the location of this Constitution, on the member first being elected to the Council."
3	3 Members of the County Council	1.3	Removal of reference to member addresses	"A list of the current County Councillors along with their address and their contact details is maintained on the County Council website at"	"A list of the current County Councillors along with their contact details is maintained on the County Council website at"
4	3 Members of the County Council	3.2	Wording amendment	"Councillors are also encouraged to prepare and publish an accountability statement each year."	"In the spirit of transparency and openness, information on councillors' activity is available on the council's public website."
5	3 Members of the County Council	Members Code of Conduct - General statement	Wording additions	"Importantly, I should be able to undertake my role as a councillor without being intimidated, abused, bullied or threatened by anyone, including general public".	"Importantly, I should be able to undertake my role as a councillor without being intimidated, abused, bullied or threatened by anyone, including general public, and whilst treating others with the same dignity and respect."

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
6	3 Members of the County Council	Members Code of Conduct	Document revision	Appendix A - Table 2 covers Other Registerable Interests	<p>This is now in line with the changes suggested by the LGA and agreed by Council in 2020. In particular, update on Other Registrable Interests:</p> <p>You must register as an Other Registerable Interest :</p> <p>a) any unpaid directorships b) any body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority c) any body (i) exercising functions of a public nature (ii) directed to charitable purposes or (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)</p>
7	3 - Guidance on Member/Officer Relations	5.4 and 8.1	Addition of wording	"Councillors requests for information must always be given high priority and a response given within 2 working days"	"Councillors requests for information must always be given high priority and a response given within 2 working days where possible. Members are encouraged to share information in respect of their deadlines, to assist officers to respond appropriately."
8	3 - Members' Allowance Scheme	NA	General document update	Entire Scheme is within review detailed to the right	<p>The scheme has been slimmed down as there was a lot of repetition from what was in the appendix to the scheme. Amendments are suggested to make this less repetitive and more clear. Updates have been made to Schedule 2 in line with current SRA roles.</p> <p>No changes have been made to the content of this section, content has just been rearranged for greater clarity.</p>

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
9	6 Cabinet	3.1	Wording addition	"The Leader shall specify the number of Members in addition to himself who comprise the Cabinet being not less than two and not more than nine. The Cabinet shall not be a Committee of the Council."	"The Leader shall specify the number of members (in addition to the Leader, or the Deputy Leader where they are unavailable) who comprise the Cabinet being not less than two and not more than nine. The Cabinet shall not be a Committee of the Council."
10	6 Cabinet		Wording added	The new Staffordshire Leaders Board is not yet mentioned in the Constitution.	<p>Wording will be added under the Cabinet section to state the current position, with further update planned in future:</p> <p>"Staffordshire Leaders Board</p> <p>The County Council's Cabinet have approved proposals for the establishment of, and the County Council's participation in, the Staffordshire Leaders Board. The purpose of this Board will be to continue to improve joint working between the County, District and Borough Councils in Staffordshire, and to develop and negotiate a County Deal with Government. The proposals will allow the County and District/Borough Councils in Staffordshire to build on their strengths by focusing on joint approaches to the big issues that affect us, including the economy, public health and reducing carbon emissions.</p> <p>It will also create an official structure by which Staffordshire's democratic organisations can speak jointly to central Government on how we can deliver better health and prosperity to the county.</p> <p>The Leader of the Council has been appointed as the County Council's representative on the Leaders Board."</p>
11	6 Cabinet	9	Paragraphs moved to different section	Paragraphs 9-12 cover Procedural Standing Orders for Cabinet	These paragraphs moved to a new subsection for Cabinet within Section 11 - Procedural Standing Orders
12	6 Cabinet	Cabinet Member role descriptions	Wording additions	Cabinet Member role descriptions for Commercial and Highways and Transport do not include Utility Companies within the list of Key External Relationships	Wording to be inserted under Cabinet Members for Commercial and Highways and Transport (to align with what's already there for Environment, Infrastructure and Climate Change)

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
13	6 Cabinet	Shadow Cabinet	Wording clarification re various different terms for 'Major Minority Group' etc	"The Leader of the Major Minority Group may choose to form a Shadow Cabinet by his/her nomination from amongst the members of the Council. The Leader of the Major Minority Group shall notify the Council and the Chief Executive of the names of the members nominated to form a Shadow Cabinet and of any changes in the membership of the Shadow Cabinet which may occur from time to time."	"The Council will recognise the existence of political groups and the "Leader of the Opposition" shall be the Leader of the largest political group on the Council (excluding the political group of the Leader of the Council). The Leader of the Opposition may choose to form a Shadow Cabinet by their nomination from amongst the members of the Council. The Leader of the Opposition shall notify the Council and the Chief Executive of the names of the members nominated to form a Shadow Cabinet and of any changes in the membership of the Shadow Cabinet which may occur from time to time."
14	7 Overview and Scrutiny Committees	17.4	Wording amendment	<p>"17.4 During the period between the publication and implementation of a decision not less than four voting members of the relevant Scrutiny Committee, eight members of the Council who are not members of the Cabinet or a Group Leader with a group of eight or more members (excluding members of the Cabinet) and who is not a Cabinet Member may call the decision in either in writing or by e- mail. The call in will then be considered at the next meeting of the Corporate Overview and Scrutiny Committee (or the relevant Committee if delegated) and the decision shall not be implemented until the relevant Committee have dealt with it.</p> <p>17.5 The call-in notice shall specify a 'Lead Member' who will speak at the Committee meeting to explain the reasons for calling the decision in and answer any questions from Committee Members. The Cabinet Member responsible for the decision will also be invited to explain the reasons behind the decision and answer questions. The remaining members who have called the decision in who are neither members of the Corporate Overview and Scrutiny Committee nor "local members" shall be entitled to attend and may answer questions from Committee Members."</p>	"17.5 The call-in notice shall specify a 'Lead Member' who will speak at the Committee meeting to explain the reasons for calling the decision in and answer any questions from Committee Members. If the call-in has been made by four or members from the relevant Scrutiny Committee, then the Lead Member will be from that group. If the call-in arrives from eight or more members of the Council who are not members of the Cabinet or a Group Leader the Lead Member will be chosen from that group. The Cabinet Member responsible for the decision will also be invited to explain the reasons behind the decision and answer questions. The remaining members who have called the decision in who are neither members of the Corporate Overview and Scrutiny Committee nor "local members" shall be entitled to attend and may answer questions from Committee Members."

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
15	8 Other Committees	2.4	Wording amendment and new paragraph	"2.4 In addition the Planning Committee will establish a Countryside and Rights of Way Panel and Licensing Panel of five members of the Committee with full delegated powers to deal with the following matters detailed below."	<p>"2.4 In addition the Planning Committee will establish a Countryside and Rights of Way Panel of seven members of the Committee with full delegated powers to deal with the following matters detailed below.</p> <p>2.5 In addition, the Planning Committee will establish a Licensing Panel (if required) of five members of the Committee with full delegated powers to deal with the following matters detailed below.</p>
16	8 Other Committees	2.5.1	Update on Countryside and Rights of Way Panel membership	"The Countryside and Rights of Way Panel will be appointed at the first meeting of the Planning Committee in each municipal year. In addition to the five Members of the Panel, five additional Members will be appointed as substitutes to serve on the Panel in circumstances referred to in paragraph 2.54 below."	<p>Updates agreed and recommended to Council at Planning Committee in December 2021:</p> <p>"2.5.1 The Countryside and Rights of Way Panel will consist of seven Members from the Planning Committee and will be appointed at the first meeting of the Planning Committee in each municipal year".</p>
17	8 Other Committees	2.5.2	Updated list	The list at 2.5.2 sets out the functions and responsibilities of the Countryside and Rights of Way Panel. Some of this wording is out of date or misses required information.	This list has been updated to be up to date with the role and legislation related to the Panel.
18	8 Other Committees	2.5.4	Updated wording	"For consideration of reports on applications for the registration of common land, or town or village greens and Section 53 items the Panel shall operate a formal substitute member system in cases where a full member of the Panel is the local member for the division in which the land is situated."	<p>Updated wording around new approach to replace the Panel's substitute member system:</p> <p>"In cases where the Panel is required to consider reports on applications for the registration of common land, or town or village greens and Section 53 items, and a Member of the Panel is the Local Member for the division in which the land is situated, that Member will leave the room during consideration of that item."</p>
19	11 Procedural Standing Orders	Procedural Standing Orders	Section has been redrafted for increased clarity.	Section has been redrafted for clarity and readability.	Wording has been reorganised for clarity and readability. Again, there are no major changes besides restructuring for greater clarity.

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
20	11 Procedural Standing Orders	9.5	Wording added	"A Member of the Council may move that a particular matter raised during the debate be referred back to the Cabinet or to the Corporate Review Committee or the appropriate Scrutiny Committee for consideration."	Wording added to clarify that if action has already been taken then referring back will not invalidate that action: "If action has already been taken after being authorised by the Cabinet or a committee the reference back of the report will not invalidate the action taken."

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
Table 2: Areas of the Constitution where a change is recommended that the Monitoring Officer is able to approve under his delegated powers					
21	Throughout document	NA	Wording updates	The Constitution contains various different names for county councillors, members, etc.	For consistency, throughout the Constitution, references to "Councillor" will be changed to "elected member".
22	Throughout document	NA	Officer title corrections	Some officer titles are incorrect at various points in the document	Corrected titles will be used.
23	Throughout document	NA	Wording amendment re overview and scrutiny	There is inconsistency in "Scrutiny" and "scrutiny" throughout the document.	References to 'scrutiny' on its own should be lower case throughout, and the wording will be amended to 'overview and scrutiny'.
24	1 Introduction to how the Council works	1.2	Wording added	"Councillors have to agree to follow a code of conduct to ensure high standards in the way they undertake their duties. The Audit and Standards Committee trains and advises them on the Code of Conduct"	"Councillors have to agree to follow a code of conduct to ensure high standards in the way they undertake their duties. The Audit & Standards Committee ensure that there is a suitable code and that training and support is available to members to understand what is in it."
25	1 Introduction to how the Council works	1.5	Wording added	At 1.3, "Meetings of the County Council are normally open to the public".	New paragraph at 1.5 to replace reference in 1.3: "County Council meetings are normally open to the public and webcast, and webcast meetings can be viewed online through the council's website (this is the same approach for all other public meetings of the County Council)."
26	1 Introduction to how the Council works	3.1	Clarification	"The Cabinet is the part of the County Council which is responsible for most day to day decisions."	"The Cabinet is the part of the County Council which is responsible for making key decisions"
27	1 Introduction to how the Council works	3.1	Clarification	"Meetings of the Cabinet are generally open for the public to attend, except where personal or confidential matters are being discussed"	"Meetings of the Cabinet are generally open for the public to attend, except where confidential or exempt information needs to be discussed (details on exemption can be found in Section 12 Access to Information)."

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
28	1 Introduction to how the Council works	3.3	Wording added for clarity	"The Cabinet has to make decisions which are in line with the Council's overall policies and budget. If it wishes to make a decision which is outside the budget or policy framework, this must be referred to the Council as a whole to decide."	Wording added to clarify what the 'policy framework' means: "The Cabinet has to make decisions which are in line with the Council's overall policies and budget. If it wishes to make a decision which is outside the budget or policy framework set by the Strategic Plan, this must be referred to the Council as a whole to decide."
29	1 Introduction to how the Council works	5.1	New document title for Guidance on Member/Officer relations	"A code of practice governs the relationships between officers and members of the County Council."	"Guidance on Member/Officer relations governs the relationships between officers and members of the County Council."
30	1 Introduction to how the Council works	6.2	Wording update	"Some of these are legal rights, whilst others depend on the County Council's own processes. The Local Citizens' Advice Bureau can advise on individual legal rights. Where members of the public use specific Council services, for example as a parent of a school pupil, they may have additional rights. These are not covered in this Constitution."	"Some of these are legal rights, whilst others depend on the County Council's own processes. Where members of the public use specific Council services, they may have additional rights. These are not covered in this Constitution."
31	3 - Members of the County Council - Guidance on Member/Officer relations	1.2	Wording update	"Although both councillors and officers depend upon one another to be able to do their respective jobs, councillors, in particular, are reliant upon officers for information and support. Because of this all officers need to be aware of their responsibility when called upon to provide support and assistance to councillors to enable them to do their job effectively. Whenever a councillor raises a question with an officer a response must be given promptly. When promises are made to Councillors they need to be kept."	Removal of last two sentences, as the Access to Information section covers what members can expect and when.
32	3 - Members of the County Council - Parental Leave Policy for Members	Parental Leave Policy for Members	Formatting fix	Line spacing formatting is irregular	Line spacing to be addressed to ensure consistency with rest of Constitution
33	4 Citizens and the Council	2	Title change	"2. Voting and Petitions"	"2. Voting and Referenda"

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
34	4 Citizens and the Council	2.1 and 2.2	Wording change	<p>"Citizens on the electoral roll for the County area have the right to vote in any election or referendum organised by the County Council. They may also sign a petition to request a referendum for an elected mayor form of Constitution. If the number of signatures on the petition reaches the prescribed number (currently 5% of the Electoral Roll), the County Council will hold a referendum.</p> <p>"Citizens also have a right to submit or sign petitions to the County Council including electronic petitions which can be submitted"</p>	<p>Clarity on when we mean citizens and residents -</p> <p>"Residents on the electoral roll for the County area have the right to vote in any election or referendum organised by the County Council. They may also sign a petition to request a referendum for an elected mayor form of Constitution. If the number of signatures on the petition reaches the prescribed number (currently 5% of the Electoral Roll), the County Council will hold a referendum.</p> <p>"Staffordshire residents also have a right to submit or sign petitions to the County Council including electronic petitions which can be submitted."</p>
35	4 Citizens and the Council	3.1	More succinct wording	"Full details of Citizen's rights of access to information and the County Council's decision making arrangements are given in Section 13 of the Constitution – Access to Information Procedure rules."	"Full details of Citizens' rights of access to information are given in Section 12 of the Constitution – Access to Information Procedure rules."
36	4 Citizens and the Council	3.2	More succinct wording	<ul style="list-style-type: none"> Attend meetings of the County Council and its Committees and Panels, except where it is likely that confidential or exempt information will be disclosed during the meeting. Where this is the case, the meeting will be held in private and any reports containing confidential or exempt information will not be published; Attend meetings of the Cabinet when key decisions are being considered" 	<ul style="list-style-type: none"> Attend meetings of the County Council, its Committees and Panels, and Cabinet except where it is likely that confidential or exempt information will be disclosed during the meeting. Where this is the case, the meeting will be held in private and any reports containing confidential or exempt information will not be published"
37	4 Citizens and the Council	3.2	Title correction	"Find out what key decisions will be taken by the Cabinet, and when, from the Council's Notice of Intended Key Decisions"	"Find out what key decisions will be taken by the Cabinet, and when, from the Council's Forward Plan of Key Decisions, which can be found on the County Council's website"
38	4 Citizens and the Council	Petitions	Address update	Out of date address for sending paper petitions	Correct address inserted
39	4 Citizens and the Council	Petitions	Numbering to be used	Section does not contain paragraph numbering	Here and elsewhere in the document where this is the case, numbering will be inserted.

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
40	5 Full Council	2.1	Clarity added	"The Full Council's primary responsibility is to adopt and approve the County Council's Budget and Policy Framework. The way in which changes to the Budget and Policy Framework are made is governed by the Budget and Policy Framework Rules appended to this section."	Wording added to clarify how MTFS and Strategic Plan form the policy framework: "The Full Council's primary responsibility is to adopt and approve the County Council's Budget and Policy Framework. This comprises of the Medium Term Financial Strategy (MTFS) and the Strategic Plan (i.e. the Policy Framework – encompassing key strategies and plans that support delivery of the strategic outcomes, priorities and services). Developed in tandem, the MTFS provides a framework within which financial stability can be achieved and sustained to deliver the Council's Strategic Plan. The way in which changes to the Budget and Policy Framework are made is governed by the Budget and Policy Framework Rules appended to this section."
41	5 Full Council	2.4	Role added as per factual requirement	No reference in the bullet list of designation of an officer as the S151 Officer	Added: "To designate an officer as the S151 officer"

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
42	5 Full Council	2.2	List updated	<ul style="list-style-type: none"> •Annual Library Plan •Best Value Performance Plan •Children and Young People's Plan •Corporate Strategy •Sustainable Community Strategy •Crime and Disorder Reduction Strategy •Development Plan documents contained in the Minerals and Waste Development Framework •Youth Justice Plan •Local Transport Plan" 	<p>Updated list will be inserted, and updated later in 2022 following a further review which is currently underway.</p> <ul style="list-style-type: none"> •Strategic Plan and Corporate Delivery Plan •Staffordshire Children, Young People and Families Strategy •Education and Skills Strategy: A Partnership Framework for Staffordshire •Staffordshire Special Educational Needs and Disabilities (SEND) Strategy •Health and Wellbeing Strategy •Staffordshire and Stoke On Trent Mental Health Strategy •All Together for Carers- A Carers Strategy for Staffordshire •Climate Change Strategic Development Framework •Staffordshire Means Back to Business •Annual / bi-Annual Library Plan •Community Safety Agreement and community safety strategic assessment •Local Flood Risk Management Strategy •Development Plan documents contained in the Minerals and Waste Development Framework •Youth Justice Plan •Transport Strategy and Policy Documents contained within the Local Transport Plan"
43	5 Full Council	Appendix Budget and Policy Framework Procedure Rules 1.1	Added clarity	<p>"The Council will be responsible for the adoption of its budget and policy framework as set out in Section 5 of the Constitution. Once a budget or a policy referred to in the policy framework is in place, it will be the responsibility of the Cabinet to implement it."</p>	<p>Wording added to clarify how MTFS and Strategic Plan form the policy framework:</p> <p>"The Council will be responsible for the adoption of its budget and policy framework – comprising of the Medium Term Financial Strategy (MTFS) and the Strategic Plan (i.e. the Policy Framework, encompassing key strategies and plans that support delivery of the strategic outcomes, priorities and services) – as set out in Section 5 of the Constitution. Once a budget or a policy referred to in the policy framework is in place, it will be the responsibility of the Cabinet to implement it."</p>

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
44	6 Cabinet	3.1 / 3.2	Paragraph addition	Wording does not define what "portfolio holder" means	Insertion of new paragraph at 3.2: "Cabinet Members responsibilities within their role are referred to as their Portfolio area, and they will on occasion be referred to as Portfolio Holders."
45	6 Cabinet	8.1	Wording addition for clarity	"The Cabinet may collectively take any decision on any matter delegated to the Cabinet by the Leader or has been referred to the Cabinet by a Cabinet Member, the Chief Executive or any Chief Officer or is one which the Cabinet have specifically reserved for decision to them."	Sentence addition: "Key Decisions can only be taken by the Cabinet."
46	6 Cabinet	8.3	Wording addition	"The Leader may establish one or more Cabinet Sub-Committees on a task and finish basis. They shall appoint the Chairman and members of the Sub-Committee from amongst the Members of the Cabinet and may delegate powers to it. The details of any Sub-Committee and the powers delegated to it shall be recorded in this Constitution."	Addition of: "If there is a need to make a Sub-Committee permanent, this would need to be taken to Full Council for ratification."
47	6 Cabinet	Property Sub Committee	Wording additions	"To exercise full delegated executive powers to consider and make decisions on all land and property transactions where the County Council has an interest and the value of that transaction is between £200,000 and £2 million as defined in the schedule of decision making authority appended to these Terms of Reference."	Addition of "The Property Sub-Committee is a sub-committee of Cabinet. Its purpose is..."
48	6 Cabinet	Terms of Reference for Boards	Wording update	Of the list of Boards, only the W2R Board remains which falls under the auspices of the Joint Waste Management Board. "Innovation and Efficiency Board Service Review Board W2R Board BSF Project Board Procurement Board"	This list can be removed and the reference to the W2R Board placed under the Joint Waste Management Board wording inserted in Section 9.
49	8 Other Committees	Other Committees	Update to wording	(NB Any provisions in this Section relating to public participation in meetings are temporarily amended under the 'Coronavirus Regulations 2020' No. 392. Details of the amendments are shown at Appendix 1 to this section).	Removal of this wording re Coronavirus Regulations 2020

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
50	8 Other Committees	2.1	Insertions and updates	Paragraph 2.1 contains a detailed list of functions and delegated powers which the Planning Committee is responsible for discharging. Some of this does not align with the latest Scheme of Sub-Delegation.	Wording adjustments to the list to bring this in line with the latest Scheme of Sub-Delegations for Environment, Infrastructure and Skills, identifying any other necessary updates which will also be made to the Scheme.
51	8 Other Committees	2.3	Update on protocols	"2.3 Meetings of the Planning Committee will be subject to the Procedural Standing Orders in Section 10 of this Constitution and, in addition the Committee has agreed a protocol for Members of the public who have made representations to speak at meetings of the Committee. The operation of this protocol is regular reviewed and the up to date version can be found at http://www.staffordshire.gov.uk/yourcouncil/committeesold/planningcommittee/default.htm ."	Updated protocols for Committee members, public speakers and site visits: "2.3 Meetings of the Planning Committee will be subject to the Procedural Standing Orders in Section 10 of this Constitution and, in addition the Committee has agreed to: <ul style="list-style-type: none"> • a guidance protocol for Members of the Committee; • A public speaking protocol for Members of the public who have made representations to speak at meetings of the Committee; and, • a protocol for when Members of the Committee visit a site that is the subject of a committee report." and updated hyperlink.
52	8 Other Committees	3.2 - Standards Matters	Updated wording	"To oversee the effectiveness of the Council's procedures for investigating and responding to complaints about Councillors and Co-opted members (as approved by Full Council on 19 July 2012)."	Removal of "(as approved by Full Council on 19 July 2012)" as these have been superseded.

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
53	8 Other Committees		4 Removal of unnecessary box	<p>Box at paragraph 4 states:</p> <p>Bold Text Terms of Reference to be gradually phased out, with effect from 1 April 2017, to co-incide with the establishment of LGPS Central Limited, the transfer of Pension Fund investment management activity to that company and the establishment of associated revised governance arrangements</p> <p><i>Red (Italic) Text</i> Terms of Reference to be to gradually phased in, with effect from 1 April 2017, to co-incide with the establishment of LGPS Central Limited, the transfer of Pension Fund investment management activity to that company and the establishment of associated revised governance arrangements.</p>	This wording can be removed as now no longer relevant.
54	9 Joint Arrangements	2.5	Updated title	"the Police Authority and Chief Officer of Police"	"the Police, Fire and Crime Commissioner"
55	9 Joint Arrangements		6 Removal of outdated wording	<p>6.Previous Joint Arrangements – January 2016</p> <p>6.1As part of an interim update to the Constitution details of the following previous joint arrangements have been deleted.</p> <ul style="list-style-type: none"> • Wedgwood Memorial College Joint Management Committee • Staffordshire Connects Joint Committee • Joint Staffordshire Parking Board • Joint Appointments Committee re: Staffordshire Police Authority • Staffordshire Supporting People Commissioning Body Members' Board • Joint Local Parking Committees (East Staffordshire, Lichfield, Newcastle-under Lyme, South Staffordshire, Stafford and Staffordshire Moorlands Districts) 	Removal of this paragraph as no longer relevant.
56	9 Joint Arrangements	7.2	Wording update	Wording in the section for Police Fire and Crime Panel (including the existing title) did not make reference to the Fire element of the role	At 7.2, 7.2.2, and 7.2.5, wording has been inserted to include the Fire element of the role, such as title updates, and references to the Fire and Rescue Plan and the Chief Fire Officer.

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
57	9 Joint Arrangements - HWB Board	7.3.1	New paragraph for clarification	Paragraph added at start of HWB section	"The Purpose of the Staffordshire Health and Wellbeing Board is to lead improvement of health and well-being and to oversee transformation of health and care services in Staffordshire."
58	9 Joint Arrangements - HWB Board	7.3.3	Paragraph categorised	<ul style="list-style-type: none"> • Cabinet Support Member for Public Health & Integrated Chair (CoChair) • Cabinet Member for Health & Care • Cabinet Member for Children & Young People District & Borough Council Representative (North) • District & Borough Council Representative (South) • Representative of North Staffordshire Clinical Commissioning Group • Representative of South East Staffordshire and Seisdon Peninsula Clinical Commissioning Group • Representative of East Staffordshire Clinical Commissioning Group • Representative of Stafford and Surrounds Clinical Commissioning Group • Representative of Cannock Chase Clinical Commissioning Group • NHS Commissioning Board Local Area Team • Chief Constable of Staffordshire Police • Deputy Chief Executive and Director of People, Staffordshire County Council • Director of Public Health Staffordshire • A designated representative from HealthWatch" 	List ordered into categories for clarity and updated as per current Health and Wellbeing Board Terms of Reference
59	9 Joint Arrangements - HWB Board	7.3.4	Wording update (removal of "Shadow")	"Shadow Health and Wellbeing Board"	"Health and Wellbeing Board"
60	9 Joint Arrangements - HWB Board	7.3.5	Paragraph removed	"The Board intends to ensure effective engagement and dialogue with wider stakeholders through the development of a Health and Wellbeing Provider Forum. The views of the Provider Forum will be fed back into the Board to inform its decision making."	Removal of paragraph as Forum is not mentioned within current Terms of Reference for the Health and Wellbeing Board

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
61	9 Joint Arrangements - HWB Board	7.3.6	Paragraph split and updated	7.3.6 details 17 core duties for which the Health and Wellbeing Board is responsible.	This list is split with an additional paragraph: "In addition to the duties of the Board as set out in the Health and Social Care Act, the Staffordshire Health and Wellbeing Board has also agreed additional functions relevant to achieving outcomes for Staffordshire and the wider Staffordshire partnership environment"
62	9 Joint Arrangements - HWB Board	7.3.7	Bullet point updated	"• It is expected that decisions will be reached by consensus."	"Decisions will be made by consensus. The Board does not have the power to direct any of the statutory organisations. However, where the Board has agreed a course of action it will expect the statutory agencies to ensure that this is enacted."
63	9 Joint Arrangements - HWB Board	7.3.7	Bullet point updated	"Core members have a responsibility to feed back to their respective organisations the deliberations and decisions of the Board as appropriate."	"Board Members are expected to feed back the deliberations and decisions of the Board to their respective organisations."
64	9 Joint Arrangements - HWB Board	7.3.11	Roles updated	"• The Chairman of the Health and Wellbeing Board will be the County Council's Cabinet Member for Adults Wellbeing. • The Co-Chair will be selected from the Clinical Commissioning Group representatives on the Board."	"- The Chairman of the Health and Wellbeing Board will be the County Council's Cabinet Support Member for Public Health and Integrated Care. - The Co-Chair will be selected from the Clinical Commissioning Group representatives on the Board."
65	9 Joint Arrangements - HWB Board	7.3.13	Meeting frequency update	"The Board will meet publically 6 times a year on an eight week cycle"	"The Board will meet publically at least 4 times a year on a quarterly cycle"
66	9 Joint Arrangements - HWB Board	7.3.14	Wording amendment	"no later than eight working days in advance of the meeting"	"no later than ten working days in advance of the meeting"
67	9 Joint Arrangements - HWB Board	7.3.17	Wording amendment	"The quorum for a meeting shall be a quarter of the membership including at least one elected member from the County Council and one representative of the GP commissioning consortia."	"The quorum for a meeting shall be a quarter of the membership including at least one elected member from the County Council and one member from the NHS."
68	9 Joint Arrangements - HWB Board	7.3.23	Wording amendment	" The partnership organisations are responsible for meeting the expenses of their own representatives."	"Constituent organisations are responsible for meeting the expenses of their own members."

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
69	9 Joint Arrangements - HWB Board	7.3.24	New paragraph	New paragraph insertion re subgroups	"1.1.32Subgroups 1.1.33The Board will have the following subgroups: -Prevention Programme Management Group -BCF and Joint Commissioning Board -Families Strategic Partnership Board 1.1.34Additional subgroups may be formed and disbanded by decision of the Board."
70	9 Joint Arrangements - HWB Board	7.3.7 and 7.3.15	Updated wording	References to decisions and implementation taking place "from April 2013"	References removed to "From April 2013" as this is outdated
71	9 Joint Arrangements - HWB Board	7.4.6	Table replaced	Table at 7.4.6 contains reference to named individuals and is out of date.	Wording to replace table: "18 members, comprised of 9 members from Staffordshire County Council and 9 members from Stoke-on-Trent City Council."
72	9 Joint Arrangements - Joint Waste Management Board	7.5	Paragraphs added for consistency	Joint Waste Management Board is not referenced in this section.	Paragraphs added to include Terms of Reference for Joint Waste Management Board (using latest Terms of Reference for the Board).
73	10 Officers	2.4	Wording added for clarity	"•Advising whether decisions of the Cabinet are in accordance with the budget and policy framework."	"Advising whether decisions of the Cabinet are in accordance with the budget and policy framework and on whether a decision is or is not a Key Decision."

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
74	10 Officers	8	Position corrected on Chief Officer role to align with Scheme of Delegation	A Chief Officer is authorised to institute, defend or participate in or withdraw from any legal proceedings in any case where such action is necessary to give effect to decisions of the Council or in any case where such Chief Officer considers that such action is necessary to protect the Council's interests.	A Chief Officer is authorised to take all steps as may be required to maintain the operation and effectiveness of services; such steps to include: Following consultation with the County Solicitor, to instruct the County Solicitor to: - issue or instigate , prosecute, defend, withdraw, appeal or compromise any claims or legal proceedings (civil or criminal) connected with any function or service for which the Senior Leadership Team member is responsible - commence criminal proceedings for any breach of any law/by-law within the services and functions for which the Senior Leadership Team member is responsible - pursue the recovery of costs incurred by the County Council as part of any legal proceedings - The exercise of statutory powers to enter land or premises and/or carry out inspections for the purposes connected with the services or functions for which the Senior Leadership Team member is responsible - The exercise the County Council's statutory powers to require information as to the ownership, occupation or use of land or premises or otherwise
75	10 Officers - Appendix 2 Officers Code of Conduct	1.2	Title change	Application to Schools	Application to Schools

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
76	10 Officers - Appendix 2 Officers Code of Conduct	1.2	Wording update	<p>The Education Reform Act requires the governors of schools with delegated powers to establish the disciplinary rules which apply to the employees of the school. This has the effect of transferring an obligation which exists in general employment law from the County Council, as the employer, to the governors. However, Staffordshire County Council remains the employer of all staff of schools. The standards which are set out in this document are commended for adoption by governors. If this is done (and unless otherwise stated) the reference to 'County Council' in this guidance should read 'the governors of the school' reference to 'the Chief Officer ' should read 'the Headteacher' and reference to "a department" should read "school".</p> <p>In cases where information is to be provided to the Director for Corporate Services direct, a copy of the information should be provided to the Commissioner for Education and Skills. Further advice on the scheme can be obtained from the Director for Corporate Services.</p>	<p>The School Staffing (England) Regulations 2009 require governing bodies to establish procedures for the regulation of the conduct and discipline of staff. This has the effect of transferring an obligation which exists in general employment law in respect of staff employed by Community, Voluntary Controlled, Community Special and Maintained Nursery Schools ("the relevant schools"), from Staffordshire County Council, as the employer, to the governing body of the school. However, Staffordshire County Council remains the employer of such staff of the school. The standards which are set out in this document are commended for adoption by governing bodies. If this is done (and unless otherwise stated) the reference to 'Staffordshire County Council' or "County Council" in this guidance should read 'the governing body' of the school and reference to 'the Chief Officer ' should read 'the Headteacher' and reference to "a department" should read "school".</p> <p>In cases where information is to be provided to the Director for Corporate Services direct, a copy of the information should be provided to the Assistant Director for Education Strategy and Improvement. Further advice on the scheme can be obtained from the Director for Corporate Services.</p>
77	10 Officers	Appendix - Whistleblowing Policy - Contact Officers	Officers update	The officers listed here are out of date.	These tables will be updated.
78	10 Officers	Appendix - Officer Employment Procedure Rules	Wording adjustments for clarity only	These rules have been amended on a number of occasions and required reordering and updating to reflect changes in titles and HR procedures.	Wording has been reordered for clarity, and to reflect current HR policies.

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
79	11 Procedural Standing Orders	1.3	Wording removed.	"Meetings of the Cabinet, any Cabinet Sub-Committees and of the Overview and Scrutiny Committees are subject to their own procedure rules outlined elsewhere in this Constitution."	Wording removed as other sections of Constitution do not include procedural rules.
80	11 Procedural Standing Orders	5.2	Wording clarification	"The Chairman will determine the order of business at meetings Meetings of the Council and (other than an Extraordinary Meeting of the Council) the following items will be considered:-"	"The Chairman will determine the order of business at Full Council meetings and (other than an Extraordinary Meeting of the Council) the following items will be considered:-"
81	12 Access to Information Procedure Rules	Access to Information Rules	Wording consistency	Through this section there is inconsistency between "Rules" and "Paragraphs".	Wording will use 'Rules' throughout rather than 'Rules' and 'Paragraphs'
82	12 Access to Information Procedure Rules	1	Definition added	Scope (paragraph 1) does not define the relevant designated Proper Officer.	Designated Officer will be defined within this section (as the Monitoring Officer)
83	12 Access to Information Procedure Rules	2.1	Wording added	"These rules do not affect any more specific rights to information contained elsewhere in this Constitution or the law."	Information added re council's duties to protect certain information: "Nor do these rules limit or diminish the council's duties to protect certain information."
84	12 Access to Information Procedure Rules	10.4	Table clarified	For 7 and 8, additional conditions read as: "Categories 8, 9 and 10 are exempt information only where a meeting of a Standards Committee is convened to consider a matter referred under the provisions of sections 60(2) or (3), 64(2), 70(4) or (5), or 71(2) of the Local Government Act 2000"	Point 10 removed and additional conditions for 7, 8 and 9: "Categories 8, 9 and 10 are exempt information only where a meeting of a Standards Committee (established under Part 3 of the Local Government Act 2000) is convened to consider a matter referred under the provisions of sections 60(2) or (3), 64(2), 70(4) or (5), or 71(2) of the Local Government Act 2000"

Rec. no.	Section	Ref / Para No.	Factual i.e. Title Change	Currently reads	Suggestion for Change
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Table 3: Areas of the Constitution where items have been raised by members for further investigation

				Issue raised	Next steps
NA	NA	NA	General point	<p>Are there any ways to enhance citizen engagement / participatory activities etc</p> <p>Is there a need to look at how our petitions operate?</p> <p>Are there ways to make decision making even more transparent?</p>	A review covering these aspects will be conducted in 2022 to explore new opportunities.
NA	NA	NA	General point	There is value in carrying out a broad review of scrutiny to ensure that our Overview and Scrutiny Committees are set up to align with the council's outcomes	A review of the council's scrutiny setup will be conducted during 2022 to ensure it is fit for purpose and effective
NA	NA	NA	General point	Guidance on members code of conduct - in particular on social media - could be strengthened.	This will be picked up by the Member Development Forum outside of the work on the Constitution and relates most strongly to training in the use of social media.
NA	NA	NA	General point	The Leader's Statement at Full Council could be revisited to enhance member engagement and could include the Forward Plan so as to be more forward looking.	This is not related to a change to the Constitution, and could relate to the review on scrutiny and how Overview is used to be more forward-looking.
NA	NA	NA	General point	Personal relationships between council staff and county councillors should be declared rather than avoided altogether, but kept professional	No major change to the Constitution is required as that section of the guidance is already about keeping relationships professional.

Local Members Interest
N/A

Audit and Standards Committee - Tuesday 22 February 2022

Internal Audit Charter 2022

Recommendation(s)

I recommend that:

- a. Members approve the Internal Audit Charter 2022.

Report of the County Treasurer & Section 151 Officer

Report

Background

1. The Public Sector Internal Audit Standards (PSIAS) and the Local Government Application Note (LGAN) Standard 1000 require that the purpose, authority and responsibility of the internal audit activity must be defined formally in an Audit Charter. The Internal Audit Charter is a formal document setting out:
 - internal audit's position within the organisation
 - its reporting lines
 - access to personnel, information and records
 - the scope of internal audit activities
 - what the term Board means (e.g. the Audit and Standards Committee).

2. The need for an Audit Charter was a new requirement of PSIAS and the Audit & Standards Committee approved the detailed document at its meeting in June 2014. Since this date, any revisions to the document have been presented to this Committee for approval. In 2022, there are only a few minor changes to be made to the Audit Charter which are highlighted in yellow within the attached document for ease of reference (**Appendix 1**). These changes relate to:
 - references to Internal Audit's new audit management system, Pentana Audit, where relevant; and
 - the need to amend the old reference 'Data Protection Act 2018' to the new reference 'UK GDPR & Data Protection Act 2018'.

No other changes are required to be made in 2022.

3. The Audit Charter 2022 continues to cover all requirements of the latest Public Sector Internal Audit Standards (last issued 2017); the latest Local Government Application Note (last issued March 2019) and the latest CIPFA statement regarding the Role of the Head of Internal Audit in Public Service Organisations (2019 Edition).

Equalities Implications

4. There are no direct implications arising from this report.

Legal Implications

5. Whilst there are no direct legal implications arising from this report, the Accounts and Audit (England) Regulations 2015 require specifically that a relevant body must 'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'.

Resource and Value for Money Implications

6. The net budget of the Internal Audit Section in 2022/23 is £1,027,510.

Risk Implications

7. Internal Audit examines objectively, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.

Climate Change Implications

8. There are no direct implications arising from this report

List of Background Documents/Appendices

Public Sector Internal Audit Standards – revised with effect from 1st April 2017.

Local Government Application Note – with effect from 1st March 2019

Accounts and Audit (England) Regulations 2015.

CIPFA Statement on the Role of the Head of Internal Audit in Public Service Organisations (2019 Edition).

Appendix 1 – Internal Audit Charter 2022

Contact Details

Assistant Director: Lisa Andrews, Head of Internal Audit & Adults & Children's Financial Services

Report Author: Deborah Harris
Job Title: Chief Internal Auditor (interim)
Telephone No.: 01785 276406
E-Mail Address: deborah.harris@staffordshire.gov.uk

Internal Audit Charter

2022



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The Charter is a mandatory requirement of the UK Public Sector Internal Audit Standards (2017) and CIPFA's Local Government Application Note (2019). Also, this document considers the requirements of the CIPFA statement regarding the Role of the Head of Internal Audit in Public Sector Organisations (2019 Edition).

1. Introduction

This charter defines for the internal audit activity of Staffordshire County Council (the Council), its purpose, authority and responsibilities consistent with the requirements of the Public Sector Internal Audit Standards (PSIAS). It also aims to confirm relationships with key stakeholders. It is subject to annual approval by the Board¹.

Internal Audit has limited resources and therefore its workforce is deployed in accordance with the annual Audit Strategy having regard to relative risks and levels of assurance required, translated into an agreed annual Audit Plan and delivered through individual audit assignments. This is agreed by the Board each year.

The Audit Charter should be read in conjunction with the relevant sections of Financial Regulations of the Council (Appendix 1 refers).

2. Mission and Core Principles of Internal Audit

The mission of Internal Audit articulates what it aspires to accomplish within an organisation. The mission statement below is that included within the updated PSIAS issued in April 2017.

‘To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.’

In addition, a set of core principles, detailed below, have also been developed which taken as a whole, articulate internal audit effectiveness. For an Internal Audit function to be considered effective, all principles should be present and operating effectively.

- Demonstrates integrity.
- Demonstrates competence and due professional care.
- Is objective and free from undue influence (independent).
- Aligns with the strategies, objectives and risks of the organisation.
- Is appropriately positioned and adequately resourced.
- Demonstrates quality and continuous improvement.
- Communicates effectively.
- Provides risk-based assurance.
- Is insightful, proactive and future-focused.
- Promotes organisational improvement.

¹ The Audit & Standards Committee is referenced in the PSIAS as the Board.

3. Purpose, Authority and Responsibility

Purpose

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, controls and governance processes (*UK Public Sector Internal Audit Standards and CIPFA Local Government Application Note*).

Authority

The authority for the Internal Audit function is derived from legislation and the Council. The requirement for an Internal Audit function for local authorities is implied by Section 151 of the Local Government Act 1972, which requires that authorities "make arrangements for the proper administration of their financial affairs and shall ensure that one of their officers has responsibility for the administration of those affairs". The Accounts and Audit (England) Regulations 2015, specifically require that a relevant body 'must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'. Proper internal audit practices for Local Government are defined as constituting adherence to the requirements of both the UK Public Sector Internal Audit Standards and CIPFA's Local Government Application Note. These requirements are mandatory; instances of non-conformance must be reported to the Board as part of the Chief Internal Auditor's (CIA's) annual outturn report. The County Treasurer has been delegated with this requirement by the Council.

Responsibility

The CIA is required to provide an annual opinion to the Council and to the County Treasurer through the Audit & Standards Committee, on the adequacy and effectiveness of the risk management, governance and control environment for the whole organisation and the extent it can be relied upon, in line with the Accounts and Audit (England) Regulations 2015. To achieve this, the Internal Audit function has the following objectives:

- To provide a quality, independent and objective audit service that effectively meets the Council's needs, adds value, improves operations and helps protect public resources.
- To provide assurance to management that the Council's operations

are being conducted in accordance with external regulations, legislation, internal policies and procedures.

- To provide a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes.
- To provide assurance that significant risks to the Council's objectives are being managed. This is achieved by annually assessing the adequacy and effectiveness of the risk management process.
- To provide advice and support to management to enable an effective control environment to be maintained.
- To promote an anti-fraud, anti-bribery and anti-corruption culture within the Council to aid the prevention and detection of fraud.
- To investigate, in conjunction with the appropriate agencies when relevant, allegations of fraud, bribery and corruption.
- To evaluate whether the information technology governance of the Council supports its strategies and objectives.

4. Scope

The Council's Internal Audit function is provided by an in-house team supported by additional resources procured via an external support framework contract. The scope of the function includes the review of all activities (financial and operational) and the entire control environment of the Council. In addition to its Council internal audit work programme, the Internal Audit Section currently:

- Undertakes internal audit services for outside bodies where statutory powers permit.
- Conducts Comfort Fund (Social Services) audits
- May provide assurance to the Council on third party operations (such as contractors and partners) where this has been provided for as part of the contract documentation.
- Furthermore, the CIA has overall responsibility for providing assurance over the adequacy and effectiveness of the organisation's framework of governance and risk management and the work of Internal Audit feeds into the Annual Governance Statement and Code of Corporate Governance, where appropriate.

In accordance with the PSIAS, most individual audits are undertaken using the risk-based systems audit approach, the key elements of which are listed below:

- Identify and record the objectives, risks, controls and tests;
- Where relevant, audit work programmes will be linked to the Council's strategic risks recorded in the Enterprise Risk Management (ERM) module of Pentana.
- Establish the extent to which the objectives of the system are consistent with corporate priorities and to link audit work programmes to the Council's priorities and principles of the Council, where relevant;
- Evaluate the controls in principle to decide whether they are appropriate and can be reasonably relied upon;
- Identify any instance of over/under control;
- Determine an appropriate strategy to test the effectiveness of controls;
- Arrive at a conclusion and produce a report leading to management actions and provide an opinion on the effectiveness of the control environment.

Where possible Internal Audit will seek to identify and place reliance on assurance work completed elsewhere within the Council's areas of responsibility as part of the planning process. In addition, Internal Audit will as part of the audit plan contribute to the development of an assurance framework for the Council.

Internal Audit may undertake consulting activities. The Institute of Internal Auditors (IIA) defines consulting as 'Advisory' and related client service activities, the nature and scope of which are agreed with the client, are intended to add value and improve an organisation's governance, risk management and control processes without the internal auditor assuming responsibility'. See section 5 regarding Audit Independence.

Internal Audit does not undertake value for money studies routinely unless specifically requested.

The CIA cannot be expected to give total assurance that control weaknesses or irregularities do not exist. Managers are fully responsible for the quality of internal control and managing the risk of fraud, corruption and potential for bribery within their area of responsibility. They should ensure that appropriate and adequate control and risk management processes, accounting records, financial processes and governance arrangements exist without depending on internal audit activity to identify weaknesses.

Fraud and Corruption Related Work

The role of Senior Leadership Team Members (SLT) in relation to the reporting of all instances of potential and actual irregularity affecting the

finances of the Council is documented in the Council's Financial Regulations (D.4).

The internal audit role and the counter fraud roles that internal auditors will be involved in, relating to fraud and corruption work are broken down into three divisions:

- Core internal audit roles that all internal auditors should include in their risk-based approach;
- Counter fraud roles that internal audit can undertake without compromising audit independence;
- Counter fraud roles where internal audit may provide consultancy or advisory services, with safeguards.

Core Internal Audit role - The primary role of Internal Audit is to provide assurance on counter fraud arrangements and fraud risks in accordance with the standards.

The Internal Audit Section as part of its activity will evaluate the potential for the occurrence of fraud and how the Council manages its fraud risk (standard 2120.A2). To enable this, the CIA will ensure that individual internal auditors have sufficient knowledge of fraud risks and fraud risk management practice (standard 1210.A2). **Fraud risks that are covered within standard audit work programmes are identified within the Pentana Audit System. Controls within audit work programmes are also categorised as either preventative type controls or detective type controls.**

Supporting counter fraud roles – The Internal Audit Section may also take on additional roles or undertake work as part of an advisory or consultancy role to support or promote the development of effective counter fraud practice in the Council. In these instances, the CIA will ensure that internal auditors have adequate proficiency to undertake the activity (standard 1210.A2). Any impairment to independence or objectivity will also be identified and managed prior to the work commencing (standard 1000).

The Internal Audit Section will carry out a thorough investigation of all potential and actual irregularities in accordance with the Section's Fraud Manual. For employee related frauds, the investigation is dealt with under the Council's Staff Disciplinary Procedure and upon conclusion; the matter may be referred to the Police. It should be noted that if the offence committed is serious and/or high value, the matter may be referred to the Police prior to the disciplinary proceedings being concluded. In these instances, the Police will be made aware of the Council's on-going investigations. It is not the normal practice of Internal Audit to issue formal cautions to suspects under the Police and Criminal Evidence Act (P.A.C.E.) 1984.

It is the responsibility of the Monitoring Officer (Director of Corporate Services) to decide, based on the advice from the County Treasurer and the appropriate Senior Leadership Team Member, whether there are sufficient grounds for the matter to be reported to the Police. This is in accordance with the Council's Anti-Fraud, Bribery & Theft Policy.

A Counter Fraud Plan is produced and reviewed on an annual basis. In addition to the investigation of potential irregularities, work is undertaken to promote an anti-fraud culture.

In particular:

a) Creation of an Anti-Fraud Culture:

- Raising awareness of the e learning package.
- Adherence to the recommendations contained in the Fighting Fraud Locally Strategy and the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption.
- Circulation of the Fraud-Watch Publication.
- Promotion of a Poster Campaign to raise awareness.

b) Deterrence

- Publicise both local and national cases of proven fraud within the Council.

c) Prevention

- A programme of continuous controls monitoring (CCM) is carried out throughout the year to identify 'red flags' for further investigation using our data analysis and file interrogation solution, IDEA. Areas susceptible to fraud are monitored on an on-going basis. Areas where CCM is utilised include creditor payments, purchasing card transactions, mileage and expenses claims and casual hours claims and overtime.

d) Detection

- Participation in the Cabinet Office's national fraud initiative data matching exercise.

e) Investigation

- Hotline monitoring and intelligence gathering.
- Investigations of all areas of concern identified through routine audit, reported to management or via whistleblowing communication channels.

5. Stakeholder Roles and Audit Independence

The Audit & Standards Committee will fulfil the role of the Board for the Council. For this purpose, the Board is defined in the PSIAS/LGAN as 'the highest level of governing body charged with the responsibility to direct and/or oversee the activities and hold senior management of the organisation accountable. Typically, this includes independent Directors. Board may refer to an audit committee to which the governing body has delegated certain functions.'

The CIA reports to the Head of Internal Audit and Adults and Children's Financial Services. Section 151 matters are reported in all instances to the County Treasurer who reports to SLT for all Section 151 matters. Financial Regulation D.6 details alternative reporting lines if so required.

The extent of non-Council related audit work undertaken by the Section shall be limited to that defined within the Audit Strategy unless approved otherwise by the County Treasurer.

Internal Audit is not responsible for the detailed development or implementation of new systems but will be consulted during the system development process on the control measures to be incorporated in new or amended systems. To maintain independence, the Auditor who was involved in the 'consultancy style exercise' will not take any further part in the audit process. Any significant 'consultancy' activity not already included in the annual Audit Plan which may impact on the ability to provide the required assurance opinion will be reported to the Audit & Standards Committee for approval. The nature and scope of this type of work includes facilitation, process and/or control design, training, advisory services and risk assessment support.

As a Condition of Service, all employees are expected to maintain conduct of the highest standard such that public confidence in their integrity is maintained. This includes declarations of interest, as appropriate (*organisational level*). Furthermore, all directly employed staff are required to make an annual declaration to ensure that Auditors objectivity is not impaired and that any potential conflicts of interest are appropriately managed in line with the requirements of the Code of Ethics within the PSIAS and the Nolan Committee's Standards on the Seven Principles of Public Life (*individual auditor level*). In addition, all staff complete an audit declaration as part of each review which requires any conflicts of interest or impairments to be disclosed (*individual engagement level*).

All Internal Audit Contractor staff are also required to declare any potential conflicts of interest at the start of any assignment to the CIA.

6. Audit Reporting

Assurance is provided on the organisation's risk management, governance and internal control processes to confirm that they are operating effectively. Audit assurance opinions are awarded on the completion of audit reviews reflecting the efficiency and effectiveness of the controls in place. Audit opinions are ranked either as; Substantial Assurance, Adequate Assurance or Limited Assurance. Recommendations made will be ranked as; High, Medium or Low depending upon the relative importance of the audit finding. The methodology used is attached at **Appendix 2**.

Work undertaken by Internal Audit will normally be concluded by the production of a formal written report to the respective individuals detailed below, dependent on the nature of the review and the opinion category.

Distribution	High Risk Reviews (Substantial Assurance / Adequate Assurance)	High Risk Reviews (Limited Assurance)	Other Reviews (Limited Assurance)	Major Irregularity / Special Investigation – (loss > £10,000)	Other Reviews (Substantial Assurance / Adequate Assurance)
Operational Manager	●	●	●	●	●
Section 151 Officer (County Treasurer)	●	●	●	●	
Relevant Director	●	●	●	●	
Monitoring Officer (Director for Corporate Services)				●	
Local Member (where applicable)				●	
Relevant Cabinet Member	●	●	●	●	
Cabinet Member for Finance & Resources		●	●	●	
Audit & Standards Committee Members	●	●	●	●	

7. Role of the Head of Internal Audit (CIA)

The CIA must be a suitably professionally qualified individual who has the appropriate skills, knowledge, experience and resources to effectively perform in the role. They should also ensure that they take part in continuing professional development activities to remain up to date with developments within Internal Audit.

The CIA must establish an environment of trust, confidence and integrity in the work of the Internal Audit Section within the Council.

The CIA will have direct access to the County Treasurer, Monitoring Officer (Director of Corporate Services), Head of Paid Service, Audit & Standards Committee Chairman and Members as required.

The CIA will brief the Audit & Standards Committee Chairman regarding the content of Audit & Standards Committee agenda papers, including agreeing future agenda items and potential areas for training.

The CIA will contribute to the review of the Audit & Standards Committee effectiveness, advising the Chair of any suggested improvement.

The CIA is responsible for the overall development of the Audit Strategy and annual Internal Audit Plan, which demonstrates value for money to the organisation.

The UK Public Sector Internal Audit Standards require the CIA to report at the top of the organisation and this will be achieved by:

- The Internal Audit Strategy and Charter (incorporating detailed terms of reference); including any amendments to them are reported to the Audit & Standards Committee annually for formal approval.
- The annual Internal Audit Plan is produced by the CIA taking account of the Council's risk framework and after input from Members of SLT and the Council's External Auditor. It is then presented to SLT and subsequently Audit & Standards Committee for endorsement prior to approval by the County Treasurer.
- The adequacy, or otherwise of the level of internal audit resources (as determined by the CIA) and the independence of internal audit is reported annually to the Audit & Standards Committee. The approach to determining resources required is outlined in the Internal Audit Strategy.
- Performance against the Internal Audit Plan and any significant risk/control issues arising are reported to the Audit & Standards Committee.
- Annually to report the results of the quality assurance exercise to the Audit & Standards Committee.
- The CIA ensures that the requirements of the UK Public Sector Internal Audit Standards and the CIPFA Local Government Application Note are met in full and adherence, together with any areas of non-conformance to these requirements reported as part of the annual review of the effectiveness of internal audit report to the Audit & Standards Committee. This will incorporate where the CIA has or is expected to have roles and/or responsibilities that fall

outside of internal auditing, safeguards will be put in place to limit impairments to independence or objectivity.

The CIA should be consulted on all proposed major projects, programmes and policy initiatives. This is achieved through the linkage with the Council's Change Team and forms a key part of the annual Audit Plan. Business as Usual change projects are evaluated as part of the annual risk assessment planning process to determine the annual Internal Audit Plan.

The CIA should be consulted on proposed changes to the following key policy documents:

- a. Financial Regulations
- b. Procurement Regulations
- c. Integrity Policy
- d. Whistleblowing policy
- e. Officers' Code of Conduct
- f. Risk Management Policy

Where partnership/ joint venture/ outsourced and shared service arrangements exist that require joint working with other organisations and their respective auditors, the CIA will produce a protocol outlining the respective roles and responsibilities of each partner, access to working papers, confidentiality and sharing of audit reports including reporting to Audit & Standards Committee (where appropriate).

In instances, where services are provided by third parties, the CIA must ensure that suitable clauses are included within Contract documentation to ensure that internal audit retains the right of access to documents/ personnel and systems as and when required.

8. Role of the County Treasurer (Section 151 Officer)

The County Treasurer has overall delegated responsibility from the Council for the Internal Audit function. Following consultation with the Senior Leadership Team and the Audit & Standards Committee he will approve the annual Audit Plan.

The County Treasurer will ensure that he is periodically briefed by the CIA on the following:

- Overall progress against the annual Audit Plan;
- Those audit areas where a "Limited Assurance" opinion has been given;
- Progress on the implementation of all "high" level audit recommendations; and
- Progress on all fraud and irregularity investigations carried out by the Internal Audit Section.

Following on from the above, the County Treasurer will ensure that update reports are reported regularly to the Audit & Standards Committee, to include an annual outturn report.

9. Role of Senior Leadership Team Members

For the purposes of the UK Public Sector Internal Audit Standards, the Council's Senior Leadership Team performs the role of the 'senior management'.

Relevant extracts of those reports referred to above will receive prior consideration by the relevant SLT Member. This includes any fraud and corruption related exercises.

To assist the discharge of those responsibilities defined at **Appendix 1**, SLT Members may appoint a senior officer to act as the first point of contact between Internal Audit and their area of responsibility.

The CIA will present the annual Internal Audit Plan and Audit Strategy to SLT members for their consideration and endorsement. The annual outturn report, together with the overall opinion of the Organisation's control environment will also be circulated to SLT, where appropriate.

SLT Members are also responsible for ensuring that staff within their areas participate fully in the audit planning process and actively enforce the implementation of agreed audit recommendations by the required date. The quality of these relationships impacts on the effective delivery of the internal audit service, its reputation and independence. Co-operative relationships with management can enhance Internal Audit's ability to achieve its objectives.

10. Responsibilities of the Audit & Standards Committee

The Audit & Standards Committee is a key component of the Council's governance framework. Their role is to operate as 'those charged with governance' and provide independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes. For the purposes of the UK Public Sector Internal Audit Standards, the Audit & Standards Committee performs the role of the 'Board'.

Following consideration, Members of the Audit & Standards Committee have determined that they wish to receive the following documents:

- The annual Audit Strategy & Plan;
- The Internal Audit Charter;

- The annual assessment of Internal Audit to ensure that it meets the requirements set out in the Accounts and Audit Regulations 2015 and UK Public Sector Internal Audit Standards;
- The results of the external assessment of Internal Audit which must be performed every 5 years wef April 2013 (which was last completed January 2018);
- Regular updates on progress against High Level Recommendations;
- Periodic progress reports and the annual outturn report including results of anti-fraud and corruption work / special investigations;
- Copies of the Fraud-Watch Publication (as appropriate);
- A copy of the audit report for those reviews given an opinion of "Limited Assurance";
- A copy of the audit report for all major special investigations (i.e. those areas where the potential loss is greater than £10,000);
- A copy of the audit report/ briefing note for those reviews awarded the greatest risk score irrespective of opinion (The top risk areas within the Audit Plan).
- The Annual Governance Statement (AGS) prior to approval to consider whether it properly reflects the risk environment and supporting assurances, taking into account Internal Audit's opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.
 - A copy of the audit report for those reviews relating to the governance and assurance arrangements for significant partnerships and/or collaborations.
 - A copy of the Council's Assurance Framework relating to key risk areas.

Note

Notwithstanding the above, all audit reports will be made available to members of the Audit & Standards Committee (either individually or collectively) upon request.

Members of the Audit & Standards Committee will agree key performance targets for the Internal Audit Section and ensure that they are reported upon as part of the annual outturn report and the review of the effectiveness of internal audit. Currently these are:

- Draft reports have been issued for at least 90% of the annual Audit Plan.
- Average score for quality questionnaires from auditees is equal to or exceeds the 'good' standard.

The Audit & Standards Committee will publish an annual report on its work including performance in relation to the terms of reference and effectiveness in meeting its purpose.

11. Relationship with External Audit

Internal Audit will liaise with the external auditors of the Council to:

- Foster a co-operative and professional working relationship;
- Eliminate the incidence of duplication of effort;
- Ensure appropriate sharing of information; and
- Co-ordinate the overall audit effort.

Following on from the above, an Internal / External Audit understanding has been developed and will be subject to review on an annual basis.

12. Due Professional Care

Since April 2013, the Internal Audit Section (including its external providers) has operated in accordance with the professional standards and practice statements included within the UK Public Sector Internal Audit Standards and the CIPFA Local Government Application Note. Instances of non-conformance with the standards must be reported to the Audit & Standards Committee.

To demonstrate that due care has been exercised, the internal auditor is expected to:

- Exercise due professional care based upon appropriate experience, training, ability, integrity and objectivity;
- Apply confidentiality as required by law and best practice;
- Obtain and record sufficient audit evidence to support their findings and recommendations;
- Show that audit work has been performed competently and in a way that is consistent with applicable audit standards; and
- Consider the use of technology-based audit and other data analysis techniques.

13. Quality Assurance

The CIA maintains a Quality Assurance and Improvement Programme to review all aspects of activity of the Internal Audit Section (including its external providers) to provide reasonable assurance that its work conforms with the relevant standards and to the requirements of this document. An external assessment will be undertaken at least once every five years by a suitably qualified, independent assessor as required by the Public Sector Internal Audit Standards. The timing, form of the assessment, qualifications of any external assessor, results and any resultant

improvement plans will be agreed with and reported to the Audit & Standards Committee in the annual report. Significant deviations will be considered for inclusion in the Annual Governance Statement.

14. Audit Processes

An Audit Manual is maintained detailing the procedures to be followed at each stage of the audit process including an instruction documents, **guidance and videos guides for the operation of the Audit Management System, Pentana Audit.** The content of the Manual will be reviewed regularly and will include details of the arrangements to be followed in the event of suspected irregularities. The CIA shall periodically ensure adherence to its content. SLT Members will be consulted on any significant changes to the Manual.

A Data Utilisation Strategy is in place which outlines a vision of how the Internal Audit Service will use available data sources and analytics to enhance efficiency, reduce key risks and facilitate the Council in effectively making best use of data sources available.

15. Use of and the Processing of Data

Internal Audit is entitled to conduct its duties in line with its Charter and will review, appraise and report on the governance risk management, internal control and counter fraud environment. The provision of internal audit services may involve the processing of personal data. In respect of this, new data protection legislation came into force from the 25th May 2018, which aims to protect the privacy of all **UK and EU citizens** and prevent data breaches.

The Internal Audit Service is aware of the requirements of the **UK GDPR & Data Protection Act 2018** and ensures that it complies with the requirements contained within the Act.

The Internal Audit Service may be asked to provide access to personal information by relevant authorities with regulatory powers such as the police, government departments and other local authorities for the purposes of the prevention and/or detection of crime without the permission of the data subject. The Council will consider such requests on a case by case basis.

Our core data protection obligations and commitments are set out in the Council's primary privacy notice.
<https://www.staffordshire.gov.uk/Your-council-and-democracy/Privacy-notice/Privacy-notice.aspx>

Also, Internal Audit may collect data from the public directly via a fraud referral e-form. The information provided on this form is subject to the provisions of the [UK GDPR & Data Protection Act 2018](#). It may be used for purposes relating to the investigation of crime or misuse of resources, including liaison with the police, and for the purpose of performing other statutory enforcement duties. Also, the Council may share information provided to it with other bodies for the purpose of prevention, or detection of crime. The privacy notice covering the collection of personal data via the fraud referral e-form can be found using the attached link.

<https://www.staffordshire.gov.uk/Your-council-and-democracy/Report-fraud-bribery-and-theft/Online-reporting-form.aspx>

APPENDIX 1**FINANCIAL REGULATION D – AUDIT, CONTROL AND IRREGULARITIES****Financial regulation D – audit, control, and irregularities**

- D1 The County Treasurer is responsible for carrying out a continuous internal audit in line with the Accounts and Audit (England) Regulations 2015.
- D2 SLT members must co-operate with, and provide all necessary information for, the Internal Audit Section and our external auditor in a timely manner.
- D3 SLT members are responsible for setting up effective and efficient arrangements for internal control. They will ask the County Treasurer for advice on any significant matter if the principles of internal control prove difficult to put into practice or maintain.
- D4 SLT members must let the County Treasurer know immediately about all instances of potential and actual irregularity which affect our finances.
- D5 The County Treasurer or his authorised representative, must be given reasonable access to our property and to see any documents, records, and computer files they may need for the audit. He can also ask staff and members for information and explanations if he thinks this is necessary for that audit and that they are promptly provided.
- D6 Depending on any related legal requirements, the Head of Audit & Financial Services and Chief Internal Auditor will have the right to report directly to the Chief Executive, to any member of Cabinet and the Audit and Standards Committee. Where appropriate responses to audit recommendations have not been made within a reasonable period the County Treasurer may refer the matter to the Audit and Standards Committee for further action.

Response to audit reports

- D7 SLT members must consider and respond promptly to recommendations in audit reports and make sure that any agreed actions arising from audit recommendations are carried out as soon as possible.

Internal control and checks

- D8 The duty of providing information, working out, checking, and recording the amounts due to or from us must be separated, as far as possible, from the duty of collecting or paying these amounts.

- D9 Wherever possible, we need to make arrangements to make sure that:
- a work, goods, and services are ordered properly.
 - b we acknowledge when they have been received; and
 - c invoices and accounts are not examined by the same person.

Appendix 2**Audit Opinions****Recommendation Risk Ratings**

At the conclusion of each audit, control weaknesses are rated based on their potential impact against the organisation, and likelihood of any associated risks occurring. The scoring matrices below are used by Auditors as a guide to assessment of each control weakness, and therefore generating the priority rating of the resultant recommendation.

Priority ratings may subsequently be adjusted; for example, in a minor system with a total budget of £100,000, financial loss of £5,000 would be considered more a more significant risk to system objectives than the matrix below would initially suggest.

Impact Ratings

Risk Type	Marginal	Significant	Fundamental	Catastrophic
	1	2	3	4
Financial	Lack of VFM or overspend resulting in a financial loss below £10,000	Lack of VFM or overspend resulting in a financial loss between £10,000 and £100,000	Lack of VFM or overspend resulting in a financial loss between £100,000 and £0.5m	Lack of VFM or overspend resulting in a financial loss in excess of £0.5m
Reputation	Adverse publicity unlikely (e.g. Just can't demonstrate that probity has been observed.)	Needs careful public relations (e.g. Minor theft of property or income.)	Adverse local publicity (e.g. Minor fraud case.)	Adverse national publicity (e.g. Major fraud or corruption case.)
Legal/Regulatory	Breaches of local procedures / standards	Breaches of regulations / standards	Breaches of law punishable by fines only	Breaches of law punishable by imprisonment
Legal/Regulatory	Not an issue that would interest the External Auditors	An issue that may require further checks to satisfy the External Auditor that control is sufficient.	Would warrant mention in the Annual Audit Letter or Annual Governance Statement (AGS).	Could lead to qualification of Council's Statement of Accounts
Legal/Regulatory	Unlikely to cause complaint / litigation	High potential for complaint, litigation possible	Litigation to be expected	Litigation almost certain and difficult to defend
Performance	Doesn't materially affect a departmental performance indicator or service objective.	Has a material adverse affect on a departmental/corporate performance indicator or service objective.	Could adversely affect a number of departmental/corporate performance indicators or could seriously damage Departmental objectives / priorities.	Could call into question the Council's overall performance framework or seriously damage a Council objective / priority.
Service Delivery	Doesn't affect any identified objectives	Adversely affects a service objective	Seriously damage Departmental objective / priority	Seriously damage any Council objectives / priorities
Service Delivery	No significant disruption to service capability	Short term disruption to service capability	Short term loss of service capability	Medium term loss of service capability
Service Delivery	No more than 3 people involved	No more than 10 people involved	Up to 50 people involved	More than 50 people involved
Health & Safety	No injuries beyond "first aid" level	Medical treatment required - long term injury	Extensive, permanent injuries; long term sick	Death

Likelihood ratings:

Risk Score	Description	Example Detail Description
5	Very Likely	Likely to occur within a year / Over 80% Probability of Likelihood
4	Likely	Likely to occur within 1 to 3 Years / 60%- 80% Probability of Likelihood
3	Possible	Likely to occur within 3 to 5 Years / 40%-60% Probability of Likelihood
2	Unlikely	Likely to occur within 5 to 10 Years / 20%-40% Probability of Likelihood
1	Remote	Likely to occur greater than 10 Years / Less than 20% Probability of Likelihood

Priority Ratings Matrix

Catastrophic	Impact	4	4	8	12	16	20
Fundamental		3	3	6	9	12	15
Significant		2	2	4	6	8	10
Marginal		1	1	2	3	4	5
			1	2	3	4	5
			Likelihood				
			Remote	Unlikely	Possible	Likely	Very Likely

Risk Score		Recommendation Rating
>=	<	
1	5	Minor Priority
6	10	Low Priority
10	13	Medium Priority
15	21	High Priority

Internal Audit Assurance Ratings

Each Internal Audit report completed provides a level of assurance of; Limited, Adequate or Substantial Assurance. The following table is a guide to how assurance levels are determined. Dependent on the nature of the recommendations raised, the auditor may increase or decrease the level of assurance provided. For example a single very significant control weakness may give rise to only one recommendation, but severely compromise the effectiveness of a system and therefore result in a limited assurance report, or on occasion an audit may give rise to recommendation numbers close to the thresholds shown below for two or more categories of recommendation.

Assurance Level	Typical Findings
Limited	Either: 2+ high priority recommendations, 8+ medium priority recommendations, or 13+ low priority recommendations
Adequate	Either: 1 high priority recommendation, 3-7 medium priority recommendations, or 7-12 low priority recommendations
Substantial	0 high priority recommendations, 0-2 medium priority recommendations, and 0-6 low priority recommendations

Audit and Standards Committee Forward Plan 2021/22

If you would like to know more about our work programme, please get in touch with Lisa Andrews, Head of Audit & Financial Services, 01785 276402 or Lisa.Andrews@staffordshire.gov.uk

Item and lead officer	Date of meeting	Links with Council strategic commissioning priorities	Detail	Action/Outcome
12 April 2021				
Annual Report of the work of the Audit & Standards Committee Report of the Director for Corporate Services Lead Officer: Lisa Andrews				
Internal Audit Charter 2021/22 Report of the County Treasurer Lead Officer Lisa Andrews				
Proposed changes to the Constitution	As required			
Forward Plan for the Audit and Standards Committee Lead Officer: Lisa Andrews				
PART TWO EXEMPT Internal Audit Special Investigation/limited/ Top Risk Areas reports (<i>Part 2 items</i>).	As required			
Special Guardianship Payments Arrangements – progress report Lead Officer – Deborah Ramsdale				
Review of Joint Funding & Billing CCG’s Continuing Healthcare - Progress Report Lead Officer – Karen Webb				

Item and lead officer	Date of meeting	Links with Council strategic commissioning priorities	Detail	Action/Outcome
SEND Services – Further Progress Report. Lead Officer – Tim Moss				
13 July 2021				
Review of the Constitution (as approved by Annual Council 20 th May 2021) Lead Officer: Chris Ebberley				
Appointment of Members to Standards Panel 2021/22. Lead Officer: Chris Ebberley				
External Audit Plan 2020/21 Report of Ernst & Young	Moved from February 2021			
Staffordshire Pension Fund Audit Plan 2020/21 Report of Ernst & Young	Moved from February 2021			
Annual Report on Information Governance Report of the Director for Corporate Services Lead Officer: Tracy Thorley/ Natalie Morrisey				
Internal Audit Plan 2021/22 Report of the County Treasurer Lead Officer: Debbie Harris				
Code of Corporate Governance –2021/22 Update Report of the Director for Corporate Services Lead Officer: Lisa Andrews				
Internal Audit Outturn Report 2020/21 Report of the County Treasurer Lead Officer: Debbie Harris				
Code of Conduct for Members – Annual Report on the Management of Complaints Report of Director for Corporate Services Lead Officer: Chris Ebberley				

Item and lead officer	Date of meeting	Links with Council strategic commissioning priorities	Detail	Action/Outcome
Forward Plan for the Audit and Standards Committee Lead Officer: Lisa Andrews				
PART TWO EXEMPT Internal Audit Special Investigation/limited/ Top Risk Areas reports (<i>Part 2 items</i>).	As required	As required		
Review of the arrangements in place to address the risks of Cyber Attack. Lead Officers: – Natalie Morrissey/ Dave Sharkey				
13 September 2021				
Annual Audit Letter – 2019/20 Lead Officer: External Auditor (EY)				
Review of the Constitution Report of the Director for Corporate Services Lead Officer: Ann-Marie Davidson				
Forward Plan for the Audit and Standards Committee Lead Officer: Lisa Andrews				
PART TWO EXEMPT Internal Audit Special Investigation/limited/ Top Risk Areas reports (<i>Part 2 items</i>).	As required			
Counter Fraud Report – Cash Purchase Card Transactions (Quarterly Report) Lead Officer: Debbie Harris				
26 October 2021				
LGSCO Annual Report Report of the Director for Corporate Services Lead Officer: Kate Bullivant				
Revised Procurement Regulations Report of the Director for Corporate Services				

Item and lead officer	Date of meeting	Links with Council strategic commissioning priorities	Detail	Action/Outcome
Lead Officer: Paul Timmins				
Revised Financial Regulations Report of the County Treasurer Lead Officer: Rob Salmon				
National Fraud Initiative - Update Report of the County Treasurer Lead Officer: Debbie Harris				
Proposed changes to the Constitution	As required (AMD to advise)			
Forward Plan for the Audit and Standards Committee Lead Officer: Lisa Andrews				
<p>PART TWO EXEMPT Internal Audit Special Investigation/limited/ Top Risk Areas reports (<i>Part 2 items</i>).</p> <ul style="list-style-type: none"> • Partnerships – Limited Assurance Report • EDS Investigation Report 	As required			
Quarterly report – Purchase Card Cash purchases. Lead Officer: Steve Lycett				
Information Management – Progress Report Lead Officer Natalie Morrisey				
14 December 2021				
Annual Governance Statement 2020/21 Report of the Director of Corporate Services Lead Officer: Lisa Andrews				
Training on Statement of Accounts Lead Officer: Rachel Spain				

Item and lead officer	Date of meeting	Links with Council strategic commissioning priorities	Detail	Action/Outcome
Statement of Accounts 2020/21 Presentation and Report of County Treasurer Lead Officer: Rachel Spain				
Report to those charged with Governance (ISA 260) a) Staffordshire County Council Report of Ernst & Young				
Report to those charged with Governance (ISA 260) b) Staffordshire Pension Fund Report of Ernst & Young				
Health, Safety and Wellbeing Performance Annual Report Report of Director for Corporate Services Lead Officer: Becky Lee				
Internal Audit Plan 2021/22 – Update Report of the County Treasurer Lead Officer: Debbie Harris				
Future Options for Local Public Audit Arrangements. Report of the County Treasurer Lead Officer: Lisa Andrews				
Constitution Refresh Working Party Report Report of the Director for Corporate Services Lead Officer: Chris Ebberly				
Forward Plan for the Audit and Standards Committee Lead Officer: Lisa Andrews				
PART TWO EXEMPT Internal Audit Special Investigation/limited/ Top Risk Areas reports (<i>Part 2 items</i>).				
Special Guardian Payments Arrangements –				

Item and lead officer	Date of meeting	Links with Council strategic commissioning priorities	Detail	Action/Outcome
Further Progress report Lead Officer – Liz Keeley				
22 February 2022				
Internal Audit Charter 2022/23 Report of the County Treasurer Lead Officer: Debbie Harris				
Review of the Constitution Report of the Director for Corporate Services Lead Officer: Ann-Marie Davidson				
Appointment of Panel to recruit/select IRP Panel Members . Lead Officer: Chris Ebberley				
Forward Plan for the Audit and Standards Committee Lead Officer: Lisa Andrews				
PART TWO EXEMPT Internal Audit Special Investigation/limited/ Top Risk Areas reports (Part 2 items).				
Progress Report on the recommendations contained within the Governance and Culture of Cyber Security audit report. Lead Officers – David Sharkey & Natalie Morrisey				
Progress Report on the outstanding actions for the SEND Transformation - Governance (Decision Making Process). Lead Officer – Tim Moss				
Progress Report on the recommendations contained in the Taxi Investigation report and Counter Fraud Review. Lead Officers – Louise Clayton & Dominic Davidson.				

Item and lead officer	Date of meeting	Links with Council strategic commissioning priorities	Detail	Action/Outcome
22 March 2022				
External Audit Plan 2021/22 Report of Ernst & Young				
Staffordshire Pension Fund Audit Planning Report 2021/22 Report of Ernst & Young				
Strategic Risk Management - Risk Management Policy Statement & Strategy. Report of the Director for Corporate Services Lead Officer: Lisa Andrews				
Review of the Effectiveness of the Audit & Standards Committee. Report of the Director for Corporate Services Lead Officer: Lisa Andrews				
Counter Fraud Report – Cash Purchase Card Transactions (Quarterly Report) Lead Officer: Debbie Harris				
Proposed changes to the Constitution	As required (AMD to advise)			
Forward Plan for the Audit and Standards Committee Lead Officer: Lisa Andrews				
PART TWO EXEMPT Internal Audit Special Investigation/limited/ Top Risk Areas reports (Part 2 items).				
Progress Report on the recommendations contained in the Infrastructure & Contract				

Item and lead officer	Date of meeting	Links with Council strategic commissioning priorities	Detail	Action/Outcome
Quality Systems report. Lead Officer – James Bailey & Dave Walters				
26 April 2022				
Annual Report of the work of the Audit & Standards Committee Report of the Director for Corporate Services Lead Officer: Lisa Andrews				
Strategic Risk Management Policy & Risk Register Update Report of the Director for Corporate Services Lead Officer: Lisa Andrews				
Annual Report on Information Governance Report of the Director for Corporate Services Lead Officer: Tracy Thorley/ Natalie Morrisey				
Counter Fraud Report – Cash Purchase Card Transactions (Quarterly Report) Lead Officer: Debbie Harris				
Proposed changes to the Constitution	As required (AMD to advise)			
Forward Plan for the Audit and Standards Committee Lead Officer: Lisa Andrews				
PART TWO EXEMPT Internal Audit Special Investigation/limited/ Top Risk Areas reports (Part 2 items).				

Membership

Mike Worthington Bernard Peters
(Chair) James Salisbury
Carolyn Trowbridge Janice Silvester-Hill
(Vice Chair) Conor Wileman
Arshad Afsar Ian Wilkes
Richard Ford Graham Hutton
Ross Ward Ann Edgeller
Bernard Williams
Philippa Haden
Phil Hewitt

**Calendar of Future Committee Meetings
(All meetings at 10.00 a.m. unless otherwise stated)**

13 July 2021
13 September 2021
26 October 2021
14 December 2021
22 February 2022
22 March 2022
26 April 2022

Meetings usually take place at County Buildings, Martin Street, Stafford ST16 2LH

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of Part 1 of Schedule 12A
of the Local Government Act 1972

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