

# Minutes of the Audit and Standards Committee Meeting held on 25 April 2023

Present: Mike Worthington (Chair)

## Attendance

Carolyn Trowbridge (Vice-Chair)	Graham Hutton
Bernard Williams	Bernard Peters
Ann Edgeller	Janice Silvester-Hall
Philippa Haden	Richard Cox
Phil Hewitt	

**Also in attendance:** Lisa Andrews, Debbie Harris and Ian Parry (Cabinet Member for Finance and Resources) and Sarah Getley (Assistant Director for People)

For item No. 64 – Futhi Mhlongo (Ernst Young, External Auditors)

For item No. 66 - Tracy Thorley (Assistant Director for Corporate Operations) and Natalie Morrissey (Information Governance Manager)

For item No. 71 – David Walters (Head of Asset and Network Management) and Scott Denny (Highway Data Manager)

For item No. 71 & 72 James Bailey (Assistant Director, Highways and the Built County)

For Item Nos 73 & 74 – Dr Halit Hulusi (Head of SEND)

**Apologies:** Arshad Afsar and Keith Flunder

## PART ONE

### 60. Declarations of Interest

There were no declarations of interest on this occasion.

### 61. Minutes of the Meeting held on 21 March 2023

**Resolved** – That the minutes of the meeting held on 21 March 2023 be confirmed as a correct record and signed by the Chairman.

### 62. Establishment of Panel to Appoint Independent Remuneration Panel Members

**Resolved** – That the Chairman, Vice-Chairman, Mr R Cox, Mrs A Edgeller and Mr P Hewitt be appointed to serve as a Panel to appoint members to the 2 vacancies on the Independent Remuneration Panel.

The Chairman agreed to the following item on Settlement Agreements being considered early on the agenda:

### **Exclusion of the Public**

**Resolved** – That the public be excluded from the meeting for the following item of business which involves 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:

### **63. Settlement Agreements - Progress Report on Implementation of Internal Audit Recommendations (exemption paragraph 3)**

See Exempt Minutes.

The public were readmitted to the meeting.

### **64. External Audits 2020/21 and 2021/22 - Verbal Update ( Ernst Young - External Auditors)**

On behalf of Ernst Young (external auditors) Futhi Mhlongo submitted an update on their audit of the 2020/21 and 2021/22 accounts.

For 2020/21 she reported that Ernst Young would be contacting the Council with queries on the Infrastructure data provided. In addition further information on the IAS19 pension disclosures may be required. Ernst Young intended to report further on the 2020/21 audit to the July Meeting of this Committee.

For the 2021/22 audit, the work is underway and is well progressed, there are some outstanding areas, notably infrastructure and the impact of the triennial valuation of the Pension Fund on the County Council accounts for 2021/22. This is not isolated to the County Council, it is widespread across many other local authorities.

Members voiced their concern at the continued delay in finalising the 2020/21 audit exercise.

**Resolved** – That the update be noted.

### **65. Annual Report of the work of the Audit and Standards Committee 2022/23**

Members considered the draft report on the Committee's work during 2022/23 which particularly referred to their role in overseeing the Council's governance arrangements through consideration of the specific documents

such as the Annual Governance Statement and overseeing the Annual Audit Plan and considering reports stemming from that Plan.

Comment was made on the importance of members having the skills and knowledge to be effective. Members were reminded of the proposed workshop to be held on 23 May 2023 to carry out the self assessment exercise recommended by CIPFA.

**Resolved** – that the report be approved for submission to Full Council.

## **66. Annual Report on Information Governance 2022/23**

The Director of Corporate Services submitted the Annual Report on the County Council's compliance with legislation on Information Governance, particularly in relation to access to data and information, and the use of investigatory powers. Compliance was monitored by a range of national bodies.

As cyber security risks continued to be a high priority the Cyber Champions Programme which focussed on embedding cyber security into the Council's culture, was being reinstated following a pause by its co-ordinators (Staffordshire Police) due to resourcing difficulties. Other measures being introduced to improve security included the use of the SIEM system to analyse and respond to on line security threats.

Referring to the Information Governance function, the Director reported on the increase in request from the public for information. He commented on the themes of the requests and on their increasing complexity. Members called for the publication of the cost of responding to Freedom of Information and similar requests. Summarising work on data management within the Council the Director explained that colleagues were encouraged to report 'near misses' in order to help identify specific training needs or problems with processes.

**Resolved** – That the Annual Report on Information Governance be noted.

## **67. Proposed Internal Audit Strategy & Plan 2023/24**

The Director of Finance and Section 151 Officer gave a presentation on the proposed Internal Audit Strategy and Plan for 2023/24, commenting on the statutory requirement on the Council to have an effective audit function.

The Plan focussed on the Councils key priorities and top rated risk areas, setting out a programme of audits and counter fraud activities including proactive and reactive work over the year whilst maintaining flexibility and resources to respond to issues that may arise throughout the year.

Reference was made to the close working required with other service areas, for example the Information Technology and Information Governance Teams when auditing cyber security related issues.

Details were given of the resourcing and cost of the Audit Plan with the intention to recruit further in house staff in addition to utilising external contractors from external frameworks available to the service.

**Resolved** – That the Internal Audit Strategy and Plan 2023/24 be approved.

**68. Forward Plan for the Audit and Standards Committee 2023/24**

**Resolved** – That the Forward Plan 2023/24, as updated to reflect decisions made at the last Committee meeting, be noted.

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

The Committee proceeded to consider the following items:

**70. Exempt Minutes of the Meeting held on 21 March 2023 (exemption paragraph 3)**

**71. Infrastructure+ Asset Management - Progress Report on Implementation of Internal audit Recommendations (exemption paragraph 3)**

**72. Highways Transformation Programme - Position Statement (exemption paragraph 3)**

**73. SEND Strategy Implementation (Substantial Assurance)(exemption paragraph 3)**

**74. SEND Personal Budgets Invoices (exemption paragraphs 3 and 7)**

**Chairman**