

## Minutes of the Audit and Standards Committee Meeting held on 26 October 2021

Present: Mike Worthington (Chairman)

### Attendance

Carolyn Trowbridge (Vice-Chairman)  
Bernard Williams  
Ann Edgeller

Graham Hutton  
Bernard Peters

**Also in attendance:** Also in attendance: Lisa Andrews (all Items), Debbie Harris (all Items), and John Tradewell (all Items).

Kate Bullivant (Item 4) Paul Timmins (Item 5) Kerry Dove (Item 11) Clive Cartman Frost (Item 12) Steve Lycett (Item 12 and 13) and Natasha Morrissey (Item 14)

**Apologies:** Ross Ward, Philippa Haden, Phil Hewitt, Janice Silvester-Hall and Arshad Afsar

### PART ONE

#### 106. Declarations of Interest

No declarations were made at the meeting.

#### 107. Minutes of the Meeting held on 13 September 2021

**RESOLVED:** The minutes of the meeting held on the 13 September 2021 were confirmed as a correct record and signed by the Chairman.

**NOTE:** The Information requested in Minute 94 (Annual Audit letter) would be circulated to members of the Committee after the meeting.

#### 108. Local Government and Social Care Ombudsman - Annual Review

John Tradewell introduced the report which set out the Local Government and Social Care Ombudsman annual summary of statistics and the decisions made by them in relation to the Local Authority for the year ending 31 March 2021.

Kate Bullivant attended the meeting to answer any detailed questions.

The Committee thanked officers for the report but felt that the information would be better suited to another committee who could use it to highlight areas which needed further scrutiny.

**RESOLVED:** That the report be received and that in future years the report be considered by a more appropriate forum.

## 109. Amendments to the Councils Procurement Regulations

Mr Tradewell informed Members that the Procurement regulations were reviewed regularly with any changes being considered by this Committee before being referred to full Council for final agreement.

Paul Timmins attended the meeting to answer questions.

Following a number of questions from Members, the following information was gained:

- The levels of approvals was similar to that set in other local authorities, although it was acknowledged that all were slightly different, dependant on local need. If this information was available it would be circulated to members prior to the recommendations being considered at full Council.
- Processes were in place to ensure that more than one officer signed for approval before action could be taken.
- It was very rare that Cartels were used.
- Officers had been through a rigorous recruitment process so level and grades were appropriate for signing of such procurement levels.
- There was a contract register listing all contracts over £25,000. Each directorate managed the performance of the contracts they had issued.
- If officers were not comfortable with issuing contracts they could refer them to a more senior officer if needed.

### RESOLVED:

- a) That the report be received and the following approved for consideration by Full Council:
  - The Officer Band Approval levels revised as follows:
    - i. £2 million – Council Cabinet (no change)
    - ii. £500,000 – Council Executive Officer Delegated Decision (no change)
    - iii. £100,000 – aligns to the trigger value to involve a Procurement Advisor in a project (no change)
    - iv. Band C currently £25,000, revised up to £100,000
    - v. Band B currently up to £189,330 (aligned to Public Contracts Regulations threshold for Services/Suppliers contracts at the time) revised up to £500,000
    - vi. For Exceptions Forms, that a Band B can approve an Exception up to £100,000 (currently below £25,000) and Band A approve at/over £100,000 (currently £25,000) up to the legal permissible limit under the Public Contracts Regulations (assuming it is not a Council Cabinet key decision)
  - That the spend level of a contract 'variation' (not the source contract value) triggers the Approval level
  - Minor amendments:
    - i. General typographical
    - ii. Update of post titles for Director for Corporate Services, and Assistant Director for Commercial and Assets
    - iii. Clarity on use of the Sourcing Strategy
    - iv. Expand SLT Band A to include the S151 Officer
    - v. Clarity on the appreciation of the Cabinet Decision process
    - vi. Clarity on contracts relating to sales / disposal of assets
    - vii. Ensuring quotations now consider suppliers in the local 'Shire' geography

- viii. Vetting of all ICT procurements to screen for personal and sensitive data
- ix. Removal of requirement to seek Assistant Director for Commercial and Assets for usage of many tools under the Public Contracts Regulations.

## **110. Review of Financial Regulations**

Lisa Andrews presented the report to the Committee which explained that following a planned regular review of the Financial Regulations the following amendments were proposed:

- a) Financial Regulation B – updated to include specific reference to the requirement to obtain Cabinet approval in all instances where the County Council wishes to undertake the formal role of Accountable Body for a partnership and that the partnership will follow SCC financial policies and practices as standard practice.
- b) Financial Regulation E – updated to include arrangements for the receipt and payment of invoices electronically. Order approval limits have been amended in line with the revised procurement regulations. In addition, the purchase card guidance has been strengthened to state that the purchase of food and drink for staff social events is prohibited.
- c) Financial Regulation F has been updated to include reference to the use of direct debits as the preferred payment method for those services that are provided frequently.
- d) Financial Regulation H – the section on the disposal of supplies has been updated to include the need to speak to a procurement advisor

**RESOLVED:** That Financial Regulations as attached to the report and changes as listed above, be agreed and that Full Council be asked to formally approve for inclusion in the Constitution.

## **111. National Fraud Initiative 2020 - Update**

Debbie Harris presented the National Fraud Initiative Update report which summarised a data matching exercise which had taken place to detect and deter fraudulent and erroneous payments.

**RESOLVED:** That the report be received and the progress made to date on investigating the data matches received from the Cabinet Office in January 2021 as part of the 2020 National Fraud Initiative exercise, be noted.

## **112. Forward Plan**

Lisa Andrews presented the Committees Forward Plan. Members were reminded that the next meeting of the Committee would be on 14 December 2021. The current list of report items were listed in the report. Due the number of items due to be considered at the next few meetings it was agreed that an additional meeting in early 2022 be considered.

**RESOLVED:** That the Forward Plan be noted and officers look at the feasibility of an additional meeting in 2022.

### **113. 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.

The Committee proceeded to consider the following items:

### **114. Exempt Minutes of the meeting held on 13 September 2021**

**RESOLVED:** The exempt minutes of the meeting held on the 13 September 2021 were confirmed as a correct record and signed by the Chairman.

### **115. Partnership - Governance and Management Final Internal Audit Report (Limited Assurance) (paragraph 3)**

**RESOLVED:**

- a) That the report be received
- b) That progress on the implementation of the audit recommendations be noted.
- c) That the Chairman write to the Cabinet Member asking them to look at the situation in the Corporate Policy Team with an aim to redirect resources for a short period of time to enable the recommendations of the audit report implemented.

### **116. Emergency Duty Service - Purchase Cards Internal Control Failings Report & Lessons Learnt (paragraph 3)**

**RESOLVED:**

- a) That the report be received
- b) That progress on the implementation of the audit recommendations be noted and continue to be monitored and reviewed in February 2022 by the Committee.
- c) That the Officers involved in uncovering the fraud be thanked for their work.

### **117. Proactive Counter Fraud –Purchasing Card Cash Withdrawals Follow Up (paragraph 3)**

**RESOLVED:**

- a) That the report be received
- b) That progress on the implementation of the audit recommendations be noted and continue to be monitored and reviewed in February 2022.

### **118. Information Management Audit - Update (paragraph 3)**

**RESOLVED:** That the report be received and actions noted.

**Chairman**