

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