

# Minutes of the Audit and Standards Committee Meeting held on 19 September 2023

Present: Mike Worthington (Chair)

Attendance	
Carolyn Trowbridge (Vice-Chair) Janice Silvester-Hall	Arshad Afsar Keith Flunder

**Also in attendance:** Lisa Andrews, John Tradewell, Debbie Harris, Hassan Rohimun (Ernst Young (external auditors)) and Kate Loader

**Apologies:** Bernard Williams, Philippa Haden, Phil Hewitt, Graham Hutton, Bernard Peters, Richard Cox, Derrick Huckfield and Stephen Sweeney

## Part One

### 16. Declarations of Interest

There were no declarations of interest on this occasion.

### 17. Minutes of the Meeting held on 11 July 2023

**Resolved** – That the minutes of the meeting held on 11 July 2023 be confirmed as a correct record and signed by the Chairman.

### 18. Proposed addition to the Scheme of Delegation re Section 53 Applications under the Wildlife and Countryside Act 1981

The Director of Corporate Services reported that a review of work practices and the recent grant of additional delegated powers had improved the timescales for determining applications under Section 53 of the Countryside and Rights of Way Act 1981.

Focus was now moving to improving the processes for the making of Orders for those applications approved, and therefore he requested a further addition to his Scheme of Delegation to allow him to prioritise the Making of those Orders where:

- (a) an application has been the subject of Court proceedings requiring the Council to obtain such a level of legal expertise and advice that any potential delay in making the Order might result, over time, in the loss of that knowledge;
- or
- (b) pending cases are linked to routes which may be affected by

major projects such as HS2.

**Resolved** – That the proposed addition to the Scheme of Delegation to Officers be supported and recommended to full County Council for approval.

***The following Minute relates to those reports listed on the agenda for this meeting at items 5,6 and 7 (regarding the external audit of the County Council's accounts and the Staffordshire Pension Fund for 2020/21) and those reports listed as items 12 and 13 (regarding the external audit of the County Councils' accounts and the Staffordshire Pension Fund for 2021/22).***

**19. Final Reports to those charged with Governance (ISA 260) 2020/21 and 2021/22 - Staffordshire County Council and Staffordshire Pension Fund**

The Committee had previously received reports on the delays in completing the external audits of the County Council's accounts and the Staffordshire Pension Fund for 2020/21 and 2021/22, on the existence of similar delays for many Councils and on recent proposals to amend Guidance and Regulations in order to address the backlogs in order to 'reset the timeline' for the 2023/24 audits.

For the 2020/21 audit of Staffordshire County Council accounts and Staffordshire Pension Fund, Hassan Rohimun, on behalf of Ernst Young (External Auditors) reported that amendments required in order to reflect issues which had become apparent during the 2020/21 audit would soon be finalised after which the audit would be completed.

Hassan continued by referring to DLUHC correspondence on the need to 'reset' the Public Sector Audit Market to provide for more timely audits, the aim being to have the 2023/24 audits in line with the standard timetable. Ernst Young were awaiting further detail on any proposals following receipt of which they would consider their position and future actions. Work on Staffordshire's 2021/22 audits had therefore been temporarily paused.

For the County Council, the Director of Finance reported that his officers were working closely with Ernst Young and expected finalisation of the 2020/21 accounts by the next meeting.

Members voiced their concern at the delays in finalising both sets of accounts and queried the practice of amending 2020/21 accounts to reflect issues which had subsequently become apparent when ordinarily those accounts would have already been completed and an opinion issued. It was explained that whenever issue became apparent they had to be

taken into consideration.

Member sought assurances that by not having Opinions on the Councils accounts since 2019/20 there were no significant financial management issues which they should be aware of and taking action on. The Director of Finance reported on a number of financial management and monitoring mechanisms in place, including quarterly budget monitoring reports to Cabinet.

**Resolved** – That the current position be noted.

## **20. Civil Contingencies Governance Annual Report 2022/23**

As the Council's Lead Director for Civil Contingencies matters, the Deputy Chief Executive and Director for Corporate Services submitted his first Annual Report on Civil Contingencies governance and activities explaining his wish to demonstrate transparency and accountability for the function.

The report detailed Civil Contingencies arrangements on a national, regional and local level, specifically highlighting the role of the Staffordshire Resilience Forum (SRF) the existence of which had been recognised as 'forward thinking' by the Cabinet Office. The SRF led a multi-agency, cross-County, co-ordinated approach to Emergency Planning and resilience arrangements. The governance structure, involving shared responsibility between subject matter experts and bespoke policies with review cycles was explained.

The statutory requirement to maintain a risk register was fulfilled by the SRF. Where appropriate identified risks were shared with the relevant partner organisation for inclusion in their own Register. For example risks of relevance to Staffordshire County Council were included in its Corporate Risk Register and addressed from the Councils own perspective, complementing any actions identified by the SRF.

During the reporting period the SRF had carried out an extensive training and awareness raising programme and had focussed on planning for cyber attacks and strengthening supply chain resilience.

Referring to supply chains members queried the extent to which Civil Contingency arrangements involved the private sector given the valuable contribution which assets and skills held by that sector could make in emergency situations. It was reported that discussions were being held on the potential for involvement by the private sector. In the meantime, of note was the progress made on involving the voluntary sector, building on the good working relationships developed during the COVID Pandemic.

Members questioned the degree to which Plans could be adapted to meet

the specific needs/characteristics of individual localities and were informed that the SRF had developed Plans to deal with local factors such as the existence of a Care Home in a particular area.

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

## **21. Review of the Effectiveness of the Audit and Standards Committee - Results of the Member Workshop**

Members had participated in a workshop to assess the work and effectiveness of the Committee using guidance issued by CIPFA. Subsequently, members had completed self assessment forms identifying their strengths and possible development needs to be able to fulfil their role in overseeing audit activity and governance for the Council.

The Director of Finance submitted a summary and evaluation of both exercises detailing responses received on the overall effectiveness of the Audit and Standards Committee and listing topics on which training and development had been requested. A training programme would be drawn up to address these needs during 2023/24.

**Resolved** – That the report be noted and a training programme be developed to identify the skills/knowledge gaps identified by members.

## **22. Review of the Effectiveness of the Audit and Standards Committee - Updated Terms of Reference**

The Director of Finance reported that, in line with new CIPFA Guidance on reviewing the effectiveness of the Audit and Standards Committee he had reviewed the current Terms of Reference for the Committee in comparison to the Model Terms suggested by CIPFA.

The Director submitted revised Terms of Reference highlighting the changes proposed.

**Resolved** – That the revised Terms of Reference be approved and referred to Full Council for adoption and incorporation into the County Council Constitution.

## **23. Review of the Effectiveness of the Audit and Standards Committee - Consideration of the Appointment of Independent Members to the Committee**

The Director of Finance reported that CIPFA's new Guidance on reviewing the effectiveness of the Committee included the recommendation that the membership include at co-opted Independent Person(s) specifically selected to provide skills/knowledge not held by elected members.

Members were reminded that this issue had previously been considered by this Committee since which time CIPFA had strengthened its recommendation. 57% of County Councils had now appointed at least one Independent Person with a further 22% intending to do so.

Members discussed the range of skills and knowledge held by its overall membership.

**Resolved** that:

(i) – the proposed appointment of a co-opted Independent Person to serve on this Committee be supported and provided for in the revised draft Terms of Reference for the Committee to be submitted to Full Council for adoption and inclusion in the Constitution.

(ii) – if approved by Council, a report the appropriate recruitment documents be prepared and submitted to this Committee for review and approval.

#### **24. External Audit Plan 2022/23 - Staffordshire County Council**

This item was listed on the agenda in error. To be considered at a future meeting of the Committee.

#### **25. Staffordshire Pension Fund Audit Planning Report 2022/23**

This item was listed on the agenda in error. To be considered at a future meeting of the Committee.

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

**Resolved** – That with any amendments required to reflect any changes to the programming of the External Audit of the Council's accounts and the Staffordshire Pension Fund for 2020/21 and 2021/22, the Forward Plan 2023/24, as circulated, be approved.

#### **27. 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.

The Committee proceeded to consider the following items:

- 28. Exempt Minutes of the meeting held on 11 July 2023 (Exemption paragraph 3)**
- 29. Capital Receipts from Farm Sales (Exemption paragraph 3)**
- 30. Nexxus Financial Assurance Review - Update Report (Exemption paragraph 3)**

**Chair**