



Minutes of a meeting of Audit Committee held on Thursday, 28 April 2022.

Councillors present:

Patrick Coleman - Chair	Nigel Robbins
Stephen Andrews	Mark Harris
Tony Berry	Nick Maunder

Officers present:

Jenny Poole – Deputy Chief Executive
Caleb Harris – Democratic Services
Wayne Smith – Democratic Services
Mike Butler – Strategic Support Officer Land, Legal and Property - Publica
Ciaran Okane – Senior Procurement Business Partner
Emma Cathcart - Head of Service, Counter Fraud and Enforcement Unit
Lucy Cater – Assistant Director (SWAP)

129 Apologies

There were apologies provided from Councillor Theodoulou.

130 Substitute Members

There were no substitute Members

131 Declarations of Interest

There were no declarations of interest from Members or Officers present

132 Minutes

Councillor Andrews asked that Councillor Robins be listed as the Replacement Chair and the Chair asked that Councillor Gary Selwyn be included in the list of Councillors present.

Democratic Services undertook to change the minutes as instructed.

RESOLVED: That subject to the amendments being made, the Committee agreed the minutes were a true and accurate reflection of the previous meeting held on the 27 January 2022.

Voting Record - For 5, Against 0, Abstentions 1, Absent 1

133 Public Questions

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There were no public questions.

I34 Member Questions

There were no Member questions

I35 Draft Accounting Policies 2021/22

The Deputy Chief Executive started by explaining that it was good practice for the Committee to review the Council's Accounting Policies when the accountants were preparing the statements for the 2021/2022. The proposed changes to the Accounting Policies were highlighted within the document for consideration.

The Chair asked for 2 minor text corrections to be made to paragraphs (ix) Post-Employment Benefits & (ix) Financial Instruments, and the Officer confirmed these amendments would be made.

The Committee queried the Statutory Provision cease date of 31st March 2023, and the Deputy Chief Executive confirmed this date was specified by the Department of Levelling Up.

The Committee queried how heritage assets with a recognised value are accounted for if they are accidentally damaged, and the Deputy Chief Executive confirmed that if an item was 'impaired' (damaged) it would be revalued.

The Committee queried whether Green Bonds were considered a financial instrument, and the Officer confirmed that they were.

RESOLVED: That the Committee approved the Accounting Policies 2021/2022

Voting Record - For 6, Against 0, Abstentions 0, Absent 1

I36 Corporate Risk Register Update

The Strategic Support Officer started by confirming that the Corporate Risk Register is presented to the Committee each quarter as an assurance of the risk process by Publica (on behalf of the Council) and the Council itself. The register had been rationalised and made more dynamic providing more details and capturing external emerging risks as well as internal operational risks.

The Committee welcomed both the rationalisation of the Register and the new clearer format.

The Committee queried the risk assessments given to several of the risks, scores and responses within the Register, and the Deputy Chief Executive and Strategic Support Officer provided responses to each of these.

RESOLVED: The Committee noted the updates to the Risk Register.

I37 Annual Governance Statement Action Plan

The Strategic Support Officer started by stating that the Annual Governance Statement produced a list of actions for the Council and Publica to implement to improve governance

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and control through the coming year. This Action Plan provided progress against these actions.

The Committee welcomed the progress that had been made and commented on several of the completed actions (and their status as Complete), and the small number of actions that remained outstanding. The Deputy Chief Executive, The Monitoring Officer and The Strategic Support Officer provided responses to each of these.

The Committee commented that in some instances the status of Completed had correctly identified that a specific action had been completed e.g. a Project Manager had been appointed, subsequent work of that Project Manager had not yet been completed. The Deputy Chief Executive and the Assistant Director (SWAP) confirmed that the Governance of Programmes and Projects report showing progress will be part of the 2021/2022 Audit Plan that will be presented at the next Audit Committee.

RESOLVED: The Committee noted progress against the Action Plan

138 Updated Procurement and Contract Management Strategy

The Deputy Chief Executive started by thanking the Senior Procurement Business Partner for the report that now brings in social value and the environment.

The Senior Procurement Business Partner stated that this was an update to the 2015 Procurement and Contract Management Strategy and, in the absence of direction from central government, had been created using best practices and introduced social value guidance, counter fraud guidance and climate emergency guidance

The Committee welcomed the report and commented on: how the local economy and supply chains were supported, the manner in which Social Value is calculated and the extent of the 50 mile Social Value catchment area, and The Senior Procurement Business Partner provided responses to each of these.

RESOLVED: That the Committee approve the strategy prior to its presentation at Cabinet

Voting - 6 for, 0 against, 0 abstain, 1 absent

139 Counter Fraud and Enforcement Unit Report

The Head of Service, Counter Fraud and Enforcement Unit started by bringing the Committees attention to the new style of the unit's name that had been changed to identify the unit's Enforcement activity of the unit as well as Counter Fraud. The report was then presented highlighting specific Counter Fraud activities including with business Grants, Omicron leisure grants, post payment activity, single person discount anomalies and test and trace payments.

The Committee queried whether the extra work generated by the pandemic was covered by additional funds from the government. The Head of Service responded that New Burdens funding had been provided by the government.

The Deputy Chief Executive thanked the Heads of Service and their teams for the huge amount of work that had been done establishing entitlement processes, issuing around £70m in grants, identifying £616k of fraudulent claims and already collecting half of this.

The Committee queried whether single person discount fraud numbers had increased during the pandemic and the Head of Service confirmed that although the number of anomalies raised had increased, the number of fraudulent claims had remained at around the same figure

The Committee commented that with the high level of Test and Trace cases being investigated, and the high amount of fraudulent payments that had been successfully recovered (and kept by the Council), should more of this work be undertaken. The Head of Service stated that this was being reviewed, however the (low income, zero hours, vulnerable) demographic of the recipients needed to be considered in the public interest.

RESOLVED: The Committee noted the report and work plans.

140 Whistle Blowing Policy

The Head of Service, Counter Fraud and Enforcement Unit started by stating the policy had been reviewed, refreshed, updated and combined the policies of the three councils and Publica separate policies into a single policy. It now included signposting alternative routes to Whistle-Blowing and a simple flowchart summary showing the steps needed to Whistle-Blow.

The Committee commented that they had not had Whistle-Blowing cases referred to the Committee and Head of Service stated the policy was within the remit of the Committee however individual Whistle-Blowing cases would be investigated at service level e.g. HR, Counter Fraud and Enforcement Unit.

The Committee commented that a report of Whistle-Blowing activity across the Council would be welcomed to enable the Committee to review details and identify trends. The Monitoring Officer stated that it would be possible to bring such a report summarising the number of allegations received and the areas covered e.g. safeguarding, financial irregularity, and agreed this could be added to the Ombudsman's Letter

The Committee commented that alternative reporting routes to Auditor Whistle-Blowing could be made through the Public Sector Audit Appointments and the Controller & Auditor General. The Head of Service stated these details would be added to the policy and flowchart.

RESOLVED: The Committee considered the policy with the above comments prior to its presentation at Cabinet

141 Internal Audit Progress Report

The Assistant Director (SWAP) started by confirming the Internal Audit Progress Report comes to each Audit Committee and summarised work of the Audit Team for the Council since the last report.

The Committee welcomed the report and remarked on the excellent work completed by SWAP and the training that they provide.

The Committee queried whether the Audit Team had maintained the capacity to complete all of their work during the period of the pandemic. The Assistant Director (SWAP) confirmed that nothing had been dropped and any items to be deferred would be agreed with the Deputy Chief Executive. There was also the opportunity to source additional capacity from within (SWAP) if this was required.

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The Committee commented on a number of actions including the Fire Risk Assessment, the Privileged Account Management Audit, Reconciliation of Housing Benefit Payments. the number of retrospective dates still listed but moved forward, Strategic Commissioned Services Audit. The Assistant Director (SWAP) provided responses for each of these.

RESOLVED: The Committee considered the report and commented as above.

142 Internal Audit Plan 2022/23 and Internal Audit Charter

The Assistant Director (SWAP) started by confirming the Internal Audit Plan 2022/23 had been developed following consultation with Members, Officers and the Audit Team. The Audit Plan includes a number of core audits including financials and ICT that are completed every year and a list of proposed audit areas including the Council Tax 151 Rebates, Climate Change, Carbon Reductions & Procurement Strategy with the option to add audits if required.

The Committee commented that the 2022/23 had started and areas for audits has still not been agreed e.g. HR. The Assistant Director SWAP confirmed the need for a degree of flexibility within the plan and (for instance) as HR audits usually took place in quarter 2, the specific area to be audited would be agreed with service managers in quarter 1.

RESOLVED: That the Audit Committee approves the proposed 2022/23 Internal Audit Plan and the Internal Audit Charter.

Voting Record - For 6, Against 0, Abstentions 0, Absent 1

143 Work Plan 2022/23

The Deputy Chief Executive Assistant Director (SWAP) started by confirming the Internal Audit Plan 2022/23 had been developed following consultation with Members, Officers and the Audit Team. The Audit Plan includes a number of

The Committee queried when the Value For Money Audit would be brought to the committee and the Deputy Chief Executive confirmed the report will be presented at the next Audit Committee in July along with the Draft Accounts, 2021/22, the Annual Governance Statement and the Internal Audit Annual Opinion and these will be added to the Work Plan.

The Committee noted the plan and the additional items.

The Meeting commenced at 4.00 pm and closed at 6.00 pm

Chair

(END)