

Audit Committee and Audit Committee (Advisory) - 28 July 2020

Minutes of the meeting of the Audit Committee and Audit Committee (Advisory) held via Zoom on 28 July 2020 at 7.00 pm.

Present: **Councillors:** Nick Wayne (Chair), Sue Lukes (Vice-Chair), Anjna Khurana and Andy Hull

Also Present: **Independent members:** Alan Begg and Nick Whitaker

Councillor Nick Wayne in the Chair

136 APOLOGIES FOR ABSENCE (Item A1)

None.

137 DECLARATION OF SUBSTITUTE MEMBERS (Item A2)

None.

138 DECLARATIONS OF INTEREST (Item A3)

None.

139 MINUTES OF PREVIOUS MEETING (Item A4)

RESOLVED:

That the minutes of the meeting held on 18 May 2020 be confirmed as an accurate record of proceedings and the Chair be authorised to sign them.

Matters arising:

Minute 126 – External Auditor reports – in response to a question, the Corporate Director of Resources confirmed that there had been no important issues flagged up by the external auditors and that the final audit report would be available by the deadline of November 2020.

Minute 128 – Gender pay gap – The Chair reported that discussions had taken place between members about the appropriate committee for future consideration of the Gender Pay Gap report. It was likely that the Policy and Performance Scrutiny Committee would assume the focus for workforce issues in that report, with Audit Committee having an overarching view.

Minute 130 – 2020-21 Internal Audit Plan – In response to a request from the Chair for an update on progress of audits generally and whether there had been any

negative impacts on work caused by the Covid19 pandemic, the Head of Internal Audit said that reports on Internal Audit were submitted twice a year, one in January and one in September. The annual Internal Audit report for 2019/20 was being compiled. Two new members of staff had joined Internal Audit in the past few months. Internal Audit work had not stopped due to Covid and the Internal Audit Plan was sufficiently progressed. However, audits on youth crime and domestic violence, which had been due in 2020, would have to be delivered in 2020/21, because of delays caused by the unavailability of staff in the People Directorate due to Covid19. The Internal Audit Team had supported the Fraud Team in providing anti-fraud advice in the period following lockdown.

Alan Begg suggested that there be a standing item on Audit Committee agendas for Internal Audit reports.

RESOLVED:

That there be short standing items on all future Audit Committee agendas on i) the Risk Management update and ii) Internal Audit update, for the purpose of drawing the Committee's attention to particular items/matters occurring.

140 ANNUAL GOVERNANCE STATEMENT 2019 - 2020 (Item B1)

The following points were noted during discussion:

- Councillor Hull requested further information on the following:

a) Referring to paragraph 3.6.3 of the Annual Governance Statement (AGS), and the sentence "The Executive is responsible for the Council's most significant decisions,....." asked whether that wording was correct and how that related to Council responsibility for decisions?

b) Referring to paragraph 3.15.3 of the AGS, and "Councillor Calls for Action", he queried whether backbench councillors in particular were aware of this tool, since he did not think it was covered as part of Councillor induction training. He suggested that the profile of "Councillor Calls for Action" should be raised through training for Councillors.

c) Whether individual Executive Members carried legal responsibilities for functions within their portfolio?

- That proper contingencies were in place in the event that the Director of Law and Governance was not available to perform their duties. In such an instance, those duties fell to the Assistant Director of Law and Governance.
- The move to a "Quality Conversations" approach, to replace the annual appraisal for staff, was noted. In response to a question as to whether records were kept of these conversations, it was noted that there was no requirement to keep them for staff.
- A suggestion was made that it would be useful to have an evidence base of staff performance. It was anticipated that the new Director of Human Resources could take this up as part of a development approach for staff and supporting them to take on training opportunities.
- It was equally important to identify and nurture talent amongst existing staff, in order to identify how performance intersected with Council priorities.

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- A range of data would be required to underpin these actions of inclusion, developing talented staff and investing in the Council as an organisation. This would involve a change in culture with in the Council
- The advertising of posts might be take place internally in the first instance, to allow staff opportunities before going out to general advertisement externally.
- Referring to paragraph 4.2 of the AGS, it was noted that the areas requiring improvement were not significant, and related to matters such as training and development, citizen engagement and staff wellbeing. None had been rated at the lowest level.

RESOLVED:

1. That the Annual Governance Statement at Appendix A to the report of the Corporate Director of Resources be approved
2. That the Corporate Director of Resources, in consultation with the Chair of Audit Committee, be authorised to approve minor amendments to the Annual Governance Statement to reflect any post balance sheet events predominantly related to Covid-19, prior to the signing of the final statement of accounts.
3. That it be noted that officers will report back on any amendments made to the Annual Governance Statement at a subsequent Audit Committee, together with a copy of any amended version of the Annual Governance Statement for the Committee's information.

141 THE INVESTIGATORY POWERS COMMISSIONER'S OFFICE INSPECTION UPDATE (Item B2)

RESOLVED:

That the outcome of the Investigatory Powers Commissioner's Office's inspection of the Council's surveillance activities and the necessary actions that the Council is required to take within the suggested timelines, as detailed in paragraph 5.8 of the report of the Corporate Director of Resources, be noted.

142 EXCLUSION OF PRESS AND PUBLIC (Item)

RESOLVED:

That the press and public be excluded during consideration of the following items as the presence of members of the public and press would result in the disclosure of exempt information within the terms of Schedule 12A of the Local Government Act 1972, for the reasons indicated:

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<u>Agenda item</u>	<u>Title</u>	<u>Reasons for exemption under Schedule 12A of the LGA 1972</u>
E1	The Investigatory Powers Commissioner's Office inspection update - exempt appendices	<u>Category 3</u> – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

143 THE INVESTIGATORY POWERS COMMISSIONERS OFFICE INSPECTION UPDATE - EXEMPT APPENDICES (Item F1)

RESOLVED:

That the contents of the exempt appendix be noted.

The meeting ended at 8.15 pm

CHAIR