

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE AUDIT, STANDARDS AND GOVERNANCE COMMITTEE

22ND JULY 2020, AT 6.00 P.M.

PRESENT: Councillors L. C. R. Mallett (Chairman), S. J. Baxter, A. J. B. Beaumont, J. E. King, C. J. Spencer, K. J. Van Der Plank and Cypher (Parish Councils' Representative)

Officers: Mr. A. Bromage, Ms. J. Pickering, Mrs. C. Felton, Mr A. Bromage, Mr N. Preece (Grant Thornton), Ms. P Ross and Mrs. J. Gresham

1/20 **APOLOGIES FOR ABSENCE AND NAMED SUBSTITUTES**

Apologies for absence were received from Councillor A. Kriss. Councillor P. Whittaker was unable to join the meeting due to technical issues, therefore submitted his apologies. Councillor S. Hession was not in attendance but no apologies were received.

2/20 **DECLARATIONS OF INTEREST AND WHIPPING ARRANGEMENTS**

There were no declarations of interest nor of any whipping arrangements.

3/20 **TO CONFIRM THE ACCURACY OF THE MINUTES OF THE AUDIT, STANDARDS AND GOVERNANCE COMMITTEE MEETING HELD ON 5TH MARCH 2020**

The minutes of the meeting of the Audit, Standards and Governance Committee held on 5th March 2020 were submitted.

RESOLVED that the minutes of the Audit, Standards and Governance Committee meeting held on 5th March 2020 be approved as a correct record.

4/20 **STANDARDS REGIME - MONITORING OFFICERS' REPORT**

The Head of Legal, Equalities and Democratic Services presented the report and in doing so highlighted that the Parish Council complaints highlighted in the report were resolved and the District Complaints were managed locally. Members were informed that there had been a significant amount of productive cross-party working during the period of Covid-19 lockdown.

Members expressed that they deemed the virtual meetings a success and that officers had played an enormous part in that success. It was explained to Members that the number of meetings had increased and that most meetings were now successfully being held on a virtual platform.

There was a detailed discussion about the technology that was used by Members in order to access virtual meetings and what plans were being considered going forward to improve the accessibility for Members. The Head of Legal, Equalities and Democratic Services explained that there were various reasons as to why there had been some difficulties including: -

- Connectivity across the District
- IT equipment
- Delayed roll out of Microsoft Teams

Members were reassured that the roll out of Teams, alongside training and new IT equipment would aid the accessibility to virtual meetings for Members.

It was questioned as to why the Parish Council complaints were considered more onerous, as mentioned in the report and the Head of Legal, Equalities and Democratic Services clarified that it was due to the greater community engagement in Parish Council and lack of resource at Parish Council level.

The Chairman thanked the officers for all of their hard work in setting up the virtual meetings and welcomed the roll out of Microsoft Teams by the end of August 2020.

RESOLVED that the Monitoring Officer's report, be noted.

5/20

MODEL CODE OF CONDUCT

The Head of Legal, Equalities and Democratic Services presented the Model Code of Conduct and in doing so highlighted the following: -

- Members of the Audit, Standards and Governance Committee had already been involved and had done a significant amount of work on the Model Code of Conduct process
- Members were invited to make contributions to the consultation process in the area of 'Other Interests' and how they are recorded.

Members invited officers to attend a webinar for the Local Government Association in order to understand the discussions that were taking place and the Head of Legal, Equalities and Democratic Services expressed that she was keen to understand the thrust of the discussions that were taking place regarding that area of the Model Code of Conduct

The Chairman thought the current process had caused confusion as to what interest needed to be declared and that the former process was much more robust. Members agreed with this and acknowledged that this was the case however in order to avoid confusion and train Members where necessary might be a protracted process. There was agreement that declaration of interests was an area that needed clarification in the Model Code of Conduct.

RESOLVED that the Model Code of Conduct report, be noted.

6/20

REGULATION OF INVESTIGATORY POWERS ACT

The Executive Director, Finance and Resources introduced the Regulation of Investigatory Powers Act 2000 (RIPA) report and explained that this update was as a result of the change in legislation in 2018 advising that elected members should review the RIPA policy at least on an annual basis.

RESOLVED that

- a) The Council's RIP Policy as reviewed, be endorsed; and
- b) the update on RIPA activity be noted, described in the report.

7/20

GRANT THORNTON - BROMSGROVE DISTRICT COUNCIL AUDIT PLAN ADDENDUM - COVID 19

The Engagement Manager, Grant Thornton presented the Bromsgrove District Council District Council Audit Plan Addendum - Covid 19 report and explained that Covid-19 had a significant impact on the way Councils produce their accounts. It was explained that both the Engagement Manager for Grant Thornton and the Engagement Lead for Grant Thornton regularly met with the Executive Director, Finance and Resources and Head of Finance and Customer Services and were content that there was no detrimental effect on the Council's processes and controls in terms of finances.

The audit for the Final Statement of Accounts will begin in September which will still be in the required timescales.

It was explained to Members the processes that Grant Thornton had undertaken when carrying out remote audits. It had not been without challenges and sometimes took a longer amount of time in some instances and delays in responses. Grant Thornton are confident that an audit will be undertaken successfully in September but that it may take longer than in previous years.

Engagement Manager for Grant Thornton highlighted some National issues that may affect the Council. They were as follows: -

- Valuation of Property
- Pensions (in particular assets)

RESOLVED that the Bromsgrove District Council Audit Plan Addendum - Covid 19 be noted.

8/20

INTERNAL AUDIT - PROGRESS REPORT 2019/20 & 2020/21

The Head of Internal Audit Shared Service presented the Progress Report 2019/20 & 2020/21 to the Committee and in doing so, highlighted the following: -

- Progress Report 2019/20 & 2020/21 covered the audit plan 2019-2020 and Quarter 1 for 2020-2021
- 7 finalised reports (plus 2 further reports) had been completed
- There was a robust management plan was in place to ensure that all 'high priority' recommendations are completed and progress on implementation reported back to the Committee
- Audit work for 2019-2020 was mostly completed prior to Covid-19 lockdown
- Priority placed on Core Financials audit and picked up in Quarter 3

The Executive Director, Finance and Resources explained to Members that there had been six moderate or above audit assurances which was a marked improvement on the previous year and that this reflected the controls that had been put in place following recommendations made by the Audit team. Members agreed that it would be helpful to invite the Head of Service for Community Safety and Housing Services to the next meeting to discuss the 'high priority' recommendation regarding Safeguarding. Members requested more clarification on the

Safeguarding procedures and stated that it needed to be prioritised as an urgent issue. The Head of Internal Audit Shared Service also undertook to circulate an update on Safeguarding prior to the next meeting.

Members questioned the audit regarding the Health and Safety and it was agreed that the Health and Safety officer attend the next meeting of the Committee to provide an update on any key Health and Safety outstanding issues contained in the Progress Report 2019/20 & 2020/21.

RESOLVED that the Internal Audit - Progress Report 2019/20 & 2020/21 be noted.

9/20

INTERNAL AUDIT ANNUAL REPORT INCLUDING AUDIT OPINION 2019/20

The Head of the Internal Audit Shared Service presented Internal Audit Annual Report including Audit Opinion 2019/20 and noted that there was not a huge impact to the Audit Plan after Covid-19 lockdown and that there was an improved picture in terms of far fewer Limited Assurances. It was clarified in the Audit Opinion that the internal control arrangements in 2019-2020 were, by and large, effectively managed and the Council's corporate objectives were predominantly met.

RESOLVED that the Internal Audit Progress Report be noted.

10/20

FINANCIAL SAVINGS MONITORING REPORT FOR SEPTEMBER TO DECEMBER 2019

The Executive Director, Finance and Resources presented the Financial Savings Monitoring Report for September to December 2019 and in doing so introduced Mr. Forrester, the newly appointed Head of Finance and Customer Services. The Chairman congratulated Mr Forrester on his appointment. It was acknowledged that report was out of date and that later reports had not been presented to the Committee due to the Covid-19 lockdown.

It was confirmed to Members that significant savings had been made at the end of Quarter 2 of 2019-2020 and in addition to those further savings were made at the end of March 2020.

The Executive Director, Finance and Resources undertook to bring to the next meeting a report of the Financial Implications of Covid-19 which had previously been considered by Cabinet and the Overview and Scrutiny Board. Members were informed that Leisure was a service area

that had, so far, received no financial assistance from Central Government during the Covid-19 lockdown.

RESOLVED that the Financial Savings Monitoring Report for September to December 2019.

11/20

RISK CHAMPION - VERBAL UPDATE REPORT (COUNCILLOR K. VAN DER PLANK)

Councillor K. Van der Plank provided the Committee with a verbal update, in her capacity as Risk Champion. The update focussed on the Council's response to the Covid-19 pandemic. The following was highlighted to Members: -

- How prepared were the Council for this emergency?
- How did the Council respond?
- How did the Council operate?

There were some very positive areas in the Council's response, which included daily emergency response meetings, identification of services areas which required increased staffing levels and redeployment of staff into priority areas.

Councillor K. Van der Plank provided feedback on some key areas including:

- Information Technology (IT)
- Human Resources (HR)
- Community Volunteering Response
- Financial Services and impact of Covid-19

It was recommended by the Risk Champion that an analysis of our response to the pandemic should be a priority and that the Deputy Chief Executive and the Civil Contingencies Manager be invited to the next meeting of the Committee to explain further the Council's response to the pandemic. The Chairman agreed that this was a good recommendation.

The Chairman thanked Councillor K. Van der Plank for her comprehensive update.

The Executive Director, Finance and Resources commented that the officers and Members response to the pandemic had been exceptional. Some Members expressed their disappointment at some of the

communications received and the lack of Member meetings early on in the pandemic but acknowledged that the officers had done a magnificent job in their response overall.

RESOLVED that the verbal update from the Risk Champion be noted.

12/20

AUDIT, STANDARDS AND GOVERNANCE COMMITTEE WORK PROGRAMME

Members considered the Audit, Standards and Governance Committee's Work Programme for 2020/21.

RESOLVED that the Audit, Standards and Governance Committee's Work Programme for 2020/21, be updated to include the items discussed and agreed during the course of the meeting.

The meeting closed at 7.43 p.m.

Chairman