

**BROMSGROVE DISTRICT COUNCIL**

**MEETING OF THE AUDIT, STANDARDS AND GOVERNANCE COMMITTEE**

**24TH NOVEMBER 2020, AT 6.00 P.M.**

PRESENT: Councillors L. C. R. Mallett (Chairman), P. J. Whittaker (Vice-Chairman), S. J. Baxter, A. J. B. Beaumont, J. E. King, A. D. Kriss and K. J. Van Der Plank

Observers: Mr. Jackson Murray, Mr. Neil A. Preece (Grant Thornton, Councillor G. Denaro and Councillor P. McDonald

Officers: Mr. K. Dicks, Mrs. S. Hanley, Mr. A. Bromage  
Mr C. Forrester, Ms. C. Flanagan, Ms. R. Pritchett, Ms. J. Bayley,  
and Mrs. J. Gresham

23/20 **APOLOGIES FOR ABSENCE AND NAMED SUBSTITUTES**

Apologies for absence were received from Councillor C. Spencer and Mr. J. Cypher.

24/20 **DECLARATIONS OF INTEREST AND WHIPPING ARRANGEMENTS**

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

25/20 **TO CONFIRM THE ACCURACY OF THE MINUTES OF THE AUDIT, STANDARDS AND GOVERNANCE COMMITTEE MEETING HELD ON 10TH SEPTEMBER 2020**

The minutes of the meeting of the Audit, Standards and Governance Committee held on 10th September 2020 were submitted.

**RESOLVED** that the minutes of the Audit, Standards and Governance Committee meeting held on 10th September 2020 be approved as a correct record.

26/20 **STANDARDS REGIME - MONITORING OFFICERS' REPORT**

The Principal Solicitor presented the report which covered activity since the last meeting. It was reported that any outstanding Parish Council complaints were being dealt with by the Monitoring Officer and details would be reported back in due course.

Members were informed that all Committee meetings were currently being held remotely and that the legislation that was put in place at the beginning of lockdown in respect of this matter would remain until 7<sup>th</sup> May 2021. It was reported to Members that the Local Government Association (LGA), the Association of Lawyers in local government and the Association of Democratic Services Officers (ADSO) had collectively written to the government regarding the ability to hold remote meetings, not only until May 2021, but also to continue to hold some meetings remotely in the future. Members noted that there was the need for conducting meetings remotely due to the pandemic and associated lockdown. However, post-Covid, Members expressed hope that meetings would not all be carried out remotely.

Some Members expressed their frustration regarding the Tree Protection Orders (TPOs) discussions at the previous Constitution Working Group meeting, the length of time this had taken and that Members of the Planning Committee had not been invited to take part in the discussions. It was confirmed that the item in respect of TPOs would be considered at a full Council meeting in early 2021.

**RESOLVED** that the Monitoring Officer's Report be noted.

27/20

**PROGRESS ON BEST PRACTICE RECOMMENDATIONS FOR AUDIT, STANDARDS AND GOVERNANCE COMMITTEES**

The Principal Solicitor presented the Progress on Best Practice Recommendations for Audit, Standards and Governance Committees report for Members' consideration and in doing so highlighted the following:

- The Best Practice Recommendations made by the Chairman of the Committee of Standards for Public Life (CSPL) in Appendix 1 ran in parallel with the review of the Code of Conduct. It was confirmed that the majority of the Best Practice Recommendations were already in place but that a proposed change had been included in Appendix 2 - Arrangements for Managing Standards Complaints by the Council. If Members agreed with the proposed change then a response could be provided to the Chairman of the CPSL by the deadline of 30<sup>th</sup> November 2020.
- That Mr. J. Cypher, the Parish Councils' Representative on the Committee, had requested that a question regarding the dissemination of information in respect of the Model Code of

Conduct to Parish Councils be raised in his absence. The Principal Solicitor advised that it was too early to disseminate information to Parish Councils in respect of the Model Code of Conduct. Processing of the consultation responses was ongoing and certain recommendations of the Committee for Standards in Public life require legislative changes. Further reports would be brought to members as the development of the new code progressed and prior to the new national code being issued. Amendments might also be needed at a local level meaning the process might take some time to complete. Officers undertook to inform the Committee of any updates in respect of this at future meetings.

**RECOMMENDED** that

- a) that the Committee approve the amended arrangements for handling Member complaints; and
- b) the Council's response to the Chairman of the Committee of Standards for Public Life's recommendations be approved and returned to him before the deadline of 30th November 2020.

28/20

**COVID-19 CIVIL CONTINGENCIES RESPONSE**

The Chairman welcomed the North Worcestershire Civil Contingencies and Resilience Manager to the meeting. The update had been requested by Members at a previous meeting of the Committee in order to understand more fully the Council's response to the Covid-19 pandemic and associated lockdown.

Members were advised that a debrief exercise was carried out in respect the Council's response to Covid-19 at the end of the first national lockdown. It was explained that this kind of debrief was a statutory duty under the Civil Contingencies Act (2004). The response was provided to the Corporate Management Team (CMT) in August 2020. Eighteen recommendations had been made as a result of the debrief all of which had been accepted by the Chief Executive. All recommendations, except for one, were undertaken within six weeks. It was clarified that the outstanding recommendation was concerned with data sharing and would be ongoing and monitored closely. The Chairman queried whether the recommendation in respect of data sharing had affected the implementation of 'Track and Trace'. It was clarified to Members that this information was different from 'Track and Trace' and was part of a bigger piece of work concerning vulnerable people and the access and sharing

of data and would be overseen by the Head of Community and Housing Services. The Deputy Chief Executive advised that door knocking had been carried out by trained officers to support the most vulnerable residents in the District when all other communication options had been investigated.

Members thanked officers for all of their hard work in unprecedented times and noted that they were encouraged by all of their work so far in response to the pandemic. There was a query in respect of future interrogation of the findings from the debrief. The North Worcestershire Civil Contingencies and Resilience Manager reported that there would be a future debrief, once the Covid-19 vaccination programme had taken place to capture all learning from the conclusion of the incident management. Members were advised that the Council was in a very strong position due to the Business Continuity Planning that had been undertaken during the pandemic.

The Chairman thanked the officers for their update and commented that he was pleased to see that the majority of the recommendations had been completed.

**RESOLVED** that the Covid-19 Civil Contingencies Response be noted.

29/20

### **PROGRESS AND SECTOR REPORT - GRANT THORNTON**

The Engagement Lead, Grant Thornton presented the Grant Thornton Progress and Sector Report and in doing so highlighted the following to Members:

- Sign off of the accounts had been delayed due to the challenges faced by carrying out the audit remotely. Covid-19 had inevitably had an impact on the on the time taken to carry out the audit and it was estimated that an extra 25% more time had been needed to gather and process information. It was clarified that during previous audits the team from Grant Thornton were able to sit next to the members of the Finance team to discuss findings and ensure robust reporting. It was confirmed to Members that the completion of the work was a priority, and were advised that the Chief Executive had provided additional resource to the Finance team to ensure that the remainder of the audit could be carried out efficiently and robustly. It was unclear what the impact of the delayed audit would have on fees charged for the audit but that any additional fees would be reported to Members in the Annual Audit Letter.

- The deadline for the Council's Annual Housing Benefit Subsidy claim certificate had been delayed by the Department of Work and Pensions (DWP) to 31<sup>st</sup> January 2021. The findings would be presented to the Committee once the work had been completed.

The Chairman asked the Chief Executive and Head of Finance and Customer Services if they would like to provide a further update on the Grant Thornton Progress and Sector Report and it was reiterated to Members that it had been a very challenging time for officers and the completion of the audit and sign off of the final accounts remained their top priority. It was confirmed that a lot of progress had been made in the last few weeks and that momentum was being maintained. Members agreed that these were unprecedented times and that strengthening the team seemed like a reasonable and satisfactory response.

Members questioned whether other councils had not met the deadline to provide their final accounts. The Engagement Lead for Grant Thornton provided assurance that there had been many examples where there had been delays and that Bromsgrove District Council was certainly not on its own.

Councillor P. McDonald, who was in attendance as an observer, was invited by the Chairman to join the discussion. After detailed debate regarding the proportion of work that had been required to process accounts for Redditch Borough Council's, and whether this had impacted on the completion of the accounts for Bromsgrove District Council. He also expressed that he hoped that there would be no reputational damage for the Council due to the delay in providing the final accounts.

Some Members were concerned that the processing of Redditch's accounts had been more resource intensive. The Chief Executive explained that there was little that could be done to quantify whether this was the case as it was clear that there were other elements in play that had caused the delays in the preparation of the final accounts. He explained that what was clear was that resources had been dedicated where necessary and that the delays experienced by Bromsgrove District Council were a national issue.

The Chairman questioned whether there was any suggestion at this point in the audit Grant Thornton would be providing a qualified opinion and it was confirmed that, at this stage, there was no indication that a qualified opinion would be offered.

At this point in the meeting there was a short presentation by the Head of Finance and Customer Services and a member of the external contractor team regarding the implementation of the Enterprise Resource Planning (ERP) system. They provided some clarification the challenges that had been faced and the timelines for the project.

It was hoped that the system would be live by the end of January 2021, but it was key that the adequate testing was carried out in order to ensure the roll out of ERP was successful. Members agreed that this was the correct approach to implementation of the system to ensure it was fit for purpose and enabled officers to work in a more efficient way going forward.

**RESOLVED** that

the Grant Thornton Progress and Sector Report be noted.

30/20

### **INTERNAL AUDIT MONITORING REPORT**

The Head of the Worcestershire Internal Audit Shared Service presented the Internal Audit – Monitoring Report that covered reporting as at the end of October 2020. He reported to Members that audits were continuing to progress and that 7 reviews were in the pipeline for Quarters 3 and 4.

Members were advised that since the last meeting of the Committee, Internal Audit had carried out a review on behalf of Worcestershire County Council (WCC) in respect of the Disabled Facilities Grants. This work was now completed and had been passed back to WCC.

In respect of the National Fraud Initiative, the Head of the Worcestershire Internal Audit Shared Service reported that good progress had been made and that no particular issues were foreseen ahead of the deadline at the end of December 2020.

An improvement plan was highlighted by the Head of the Worcestershire Internal Audit Shared Service for Members' attention which would be regularly brought to the Committee to ensure that the service continued to evolve. Members were advised that Covid-19 continued to impact on the audit process and had caused some delays due to working remotely. However, as was reported at the previous Committee meeting, the audit plan might need to be amended as necessary during the pandemic and

associated lockdown. Members were reassured that the quality of audit work carried out had not been affected and remained high but that risks needed to be considered particularly in areas that had previous Limited Assurances and the potential of fraud such as Discretionary Business Grants.

Members queried whether the balance of audit areas was still sufficient given the unprecedented situation and whether further changes needed to be made in addition to those already made. However, they welcomed the flexibility of the plan and the targeting of areas where there were risks.

**RESOLVED** that the Internal Audit Monitoring Report be noted.

31/20

### **RISK MANAGEMENT GROUP MONITORING - VERBAL UPDATE**

The Head of Finance and Customer Services provided a verbal update in respect of the Risk Management Group Monitoring and in doing so highlighted the following to Members:

- Business Continuity Plans were up to date
- Brexit was highlighted as a risk on the Risk Register due to the potential impact on businesses, supply chains and loss of income streams to the Council. Information had been included on the Council's website which provided updates to residents and the Corporate Management Team were regularly tracking the situation and any updates
- Recovery and Restoration plans were being implemented across the District
- The Joint Corporate Health, Safety and Welfare Committee met regularly and risk assessments were carried out to ensure that the Council was compliant with Health and Safety regulations
- The Budget setting process in the future would be more robust and transparent. The inclusion of business plans as part of the process would be introduced in order to indicate more clearly any pressures and savings in service areas
- Business Impact Analysis informed the Business Continuity Plans and the Head of Finance and Customer Services undertook to circulate these to the Committee for information

**RESOLVED** that the Risk Management Group Monitoring update be noted.

32/20

### **RISK REGISTER - COVID-19 AND BREXIT - VERBAL UPDATE**

This item was discussed during the previous item.

33/20

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

Councillor K. Van der Plank, as the Committee's Risk Champion, presented her most recent report, following discussions with the Head of Business Transformation, Organisational Development and Digital Strategy. Councillor Van der Plank explained that her discussions had covered the following areas and she would provide information on each of these in turn:

- Training
- Well-Being

In respect of training, Councillor Van der Plank had made the following observations from her discussions with the Head of Business Transformation, Organisational Development and Digital Strategy:

- Staff were subject to an annual Performance & Development Review (PDR). PDRs were scheduled at different times in the year and were dependent on workload i.e. PDRs for the Finance team would not take place during the processing of year end accounts. Although there was an assumption that these were carried out and that a high level of completion was achieved, the levels were not currently monitored. It was suggested that this might be an area that could be measured on the corporate Dashboard in the future
- Various methods were used when training staff, such as . mentoring or coaching, and training needs were discussed and agreed at PDRs. Training courses were able to be booked via the HR21 system and there was mandatory training undertaken for all staff including General Data Protection Regulation (GDPR), Safeguarding and Health and Safety.
- Historically, Member training had been delivered face-to-face and some councillors had struggled to attend this training. It was suggested that if more mandatory training was available online then it might be easier for Members to participate. In respect of IT for Members, it was noted that perhaps more training was needed in this area in order to ensure that Members were able to get the most out of the systems used within the Council.
- It was reported that a new piece of training related to the Equalities Act 2010 had been introduced this year and had been



welcomed by staff. It was suggested that this training might be appropriate for Members to undertake in the future.

In respect of staff well-being, Councillor Van der Plank highlighted the following areas:

- There was extensive support available to staff during this unprecedented time including an employee support service provided by a private company, Occupational Health referrals, mental health first aiders and mental health IT training. In addition to this, Microsoft Team meetings had been implemented during lockdown to ensure regular contact with staff members and a staff survey and stress audit were to be carried out to measure the impact of the Covid-19 lockdown. The results of these surveys would be available in 2021.
- No reports of challenging behaviour had been made by Customer Service staff and members of the public had been supportive during this difficult time.

The Chairman thanked Councillor K. Van Der Plank for her comprehensive report.

**RESOLVED** that the Risk Champion update be noted.

34/20

**AUDIT, STANDARDS AND GOVERNANCE COMMITTEE WORK PROGRAMME**

The Democratic Services Officer undertook to update the work programme to ensure that all items were considered at the appropriate time and to provide an amended version at the next meeting of the Committee.

**RESOLVED** that the Committee work programme be noted.

The meeting closed at 8.18 p.m.

Chairman

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