

## AUDIT AND STANDARDS COMMITTEE

7 May 2019

7.00pm – 8.40pm

Council Chamber, Ebley Mill, Stroud

### Minutes

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#### Membership

Councillor Nigel Studdert-Kennedy (Chair)	P	Councillor Keith Pearson	P
Councillor Skeena Rathor (Vice-Chair)	P	Councillor Simon Pickering	P
Councillor Dorcas Binns	P	Councillor Mark Reeves	A
Councillor Rachel Curley	P	Councillor Tom Williams	P
Councillor Stephen Davies	P		

A = Absent P = Present

#### Officers in attendance

Group Manager – Audit, Risk & Assurance Shared Service (ARA)	Interim Head of Legal Services and Monitoring Officer
Head of Finance and Section 151 Officer	Democratic Services Officer

#### Other Member(s) present

Councillor Doina Cornell

#### **AC.045**

#### **APOLOGIES**

An apology for absence had been received from Councillor Reeves.

#### **AC.046**

#### **DECLARATIONS OF INTEREST**

There were none.

#### **AC.047**

#### **MINUTES**

**RESOLVED**

**That the Minutes of the meeting held on 29 January 2019, are approved as a correct record, with no amendments.**

#### **AC.048**

#### **PUBLIC QUESTION TIME**

There were none.

**AC.049****INTERNAL AUDIT ACTIVITY PROGRESS REPORT 2018/19**

The Group Manager – Audit, Risk & Assurance Shared Service (ARA) outlined the above report, bringing Committee's attention to pages 32, which reflected positive delivery against the 2018/19 audit plan to date and pages 30-31, which contained a fraud update confirming the high number of referrals that had been received within 2018/2019 and the outcomes so far this year.

Councillor Davies raised a question regarding whether additional costs had been brought about by the Homelessness Reduction Act 2017. The Group Manager – Audit, Risk & Assurance Shared Service (ARA) advised that the scope of work focused on the deliverables required by that Act, but did not due to the scope of the work consider the cost of those changes. The Head of Finance and Section 151 Officer confirmed that the Homelessness Reduction Act 2017 has extra requirements and therefore additional costs were incurred.

Councillor Curley welcomed the findings of page 15 in relation to homelessness services and had questions regarding the conclusion on page 29. This related to phase two of the workforce plan which included the following 5 service areas: Museum in the Park, Creditors, Human Resources, Community Services, and Regeneration, which includes Tourism. The Group Manager – Audit, Risk & Assurance Shared Service (ARA) advised she would confirm further details in an email to Committee Members regarding each of the 5 service areas and which statement was applicable.

Councillor Davies questioned why GDPR had been recorded as planned in the progress report under Tenant and Corporate Services, and was advised that the GDPR review is currently underway and that there had been a slight delay due to transition of Officers. The target is to report the GDPR audit outcomes to the July Committee.

Members debated the topic.

On being put to the vote, the Motion was carried unanimously.

- RESOLVED**
- 1. To accept the progress against the Internal Audit Plan 2018/19; and**
  - 2. To accept the assurance opinions provided in relation to the effectiveness of the Council's control environment.**

**AC.050****RISK BASED INTERNAL AUDIT PLAN 2019/20**

The Group Manager – Audit, Risk & Assurance Shared Service (ARA) outlined the above report. The plan is based on 463 days of assurance work and is dynamic. It will be reviewed on a continual basis by the Chief Internal Auditor and any changes to this document would be reported to Committee.

Councillor Davies asked if a date had been agreed for the release of the findings of the Peer Review and whether it would be reviewed at the Audit and Standards Committee. The Head of Finance and Section 151 Officer confirmed that it was on the agenda for the Council's AGM.

Members debated the topic.

On being put to the vote, the Motion was carried unanimously.

**RESOLVED**                    **To approve the Annual Risk Based Internal Audit Plan 2019/20 as detailed in Appendix A.**

**AC.051**                    **COMMITTEE ON STANDARDS IN PUBLIC LIFE RECOMMENDATIONS**

The Interim Head of Legal Services and Monitoring Officer outlined the above report which had been brought to Committee to inform Members of the recent report by the Committee on Standards in Public Life that looked at the current standards regime in England post the Localism Act.

Members queried the definition of bullying and harassment and questioned whether it had been updated recently to include newer types of bullying such as cyber bullying. The Interim Head of Legal Services and Monitoring Officer did not have the definition to hand but would bring a further detailed report to Committee.

Councillor Rathor asked questions regarding Independent Persons and the process in which they are appointed. The Interim Head of Legal Services and Monitoring Officer advised that current legislation requires the Council to appoint Independent Persons to assist with standards investigations, they would have followed a recruitment process.

Members debated the topic at length.

**RESOLVED**                    **To note the review into Local Government Ethical Standards and await a further report from the Interim Head of Legal Services and Monitoring Officer.**

**AC.052**                    **AUDIT AND STANDARDS COMMITTEE ANNUAL REPORT 2018/19**

The Group Manager – Audit, Risk & Assurance Shared Service (ARA) outlined the above report.

Councillor Curley advised that there was 1 omission from the report in the sentence before the conclusion on page 78, the word “management” needed to be added after the word “risk”. Members unanimously agreed the amendment.

On being put to the vote, the Motion was carried unanimously.

**RESOLVED**                    **1. To agree the Audit and Standards Committee Annual Report 2018/19.**

**AND**

**RECOMMENDED TO COUNCIL**                    **2. The Annual report is approved.**

**AC.053**                    **STANDING ITEMS**

(a) Work Programme

The Head of Finance and Section 151 Officer reminded Members that the Audit and Standards Committee on the 16 July 2019 was being moved to the 25 July 2019.

The Head of Finance and Section 151 Officer advised that the Audit Committee would be asked to review their own effectiveness, their level of performance and their skills and capabilities in the role. The Officer stated that other nearby Councils had done this

in various ways, e.g. online surveys or workshops. A workshop was proposed to be run within the next 6 weeks, which would help Councillors to identify any areas that would require additional support, training or expertise. The Head of Finance and Section 151 Officer confirmed that details would be circulated after the AGM. Councillor Studdert-Kennedy further advised that there is an external examination of internal audit procedures carried out every 5 years and that the next one was due in 2020.

Councillor Pickering proposed that the Audit and Standards Committee and the audit process both external and internal should look at the policies that the Council adopts, in particular the decision to make Stroud District Carbon Neutral by 2030. The Group Manager – Audit, Risk & Assurance Shared Service (ARA) confirmed that the item was currently on the audit suggestions for consideration as part of the 2020/21 Internal Audit Plan.

Councillor Tom Williams questioned the Task and Finish Group (Ethical Audit) remaining on the work programme. Councillor Studdert-Kennedy confirmed that the Task and Finish Group (Ethical Audit) could be removed as a standing item until a discussion had been held with the current Interim Head of Legal Services and Monitoring Officer.

(b) Risk Management

Councillor Curley confirmed that her comments had been made earlier in relation to the Internal Audit findings and there was nothing further to report.

**AC.054**

**MEMBERS' QUESTIONS**

There were none.

The meeting closed at 8.40 pm.

Chair