

- Present:** Councillor Geoff Ellis (*in the Chair*)
- Councillors:** Thomas Dyer, Gary Hewson, Jackie Kirk, Rebecca Longbottom and Bill Mara
- Independent Member:** Jane Nellist
- Apologies for Absence:** Councillor Laura McWilliams

78. Confirmation of Minutes - 17 November 2020

RESOLVED that the minutes of the meeting held on 17 November 2020 be confirmed.

79. Declarations of Interest

No declarations of interest were received.

80. Annual Governance Statement Monitoring

Heather Grover, Principal Policy Officer:

- a. presented a progress update on those areas identified as 'significant governance issues' as set out in the 2019/20 Annual Governance Statement (AGS), which Audit Committee had a role to review
- b. stated that the report provided details of the monitoring arrangements for the significant internal control issues raised in the latest AGS, as detailed at Appendix A of the report
- c. advised that key actions would be reviewed by the Service Manager's Group and be overseen by Corporate Leadership Team as well as monitored by Audit Committee
- d. reported that IT Disaster Recovery Plan in place for IT arrangements was red status and was carried forward from the previous AGS, and had one action remaining. The delay had been in part due to the pandemic and in part due to the need to construct a purpose built facility.
- e. advised that there were two new significant issues identified for the first time in the 2019/20 AGS, both of which were considered by the responsible officer to be amber
 - I. Review of impact of Coronavirus on the council's service delivery and embedding new ways of working for staff.
 - II. Vision 2025 needed to be re-profiled and communicated to a wider audience in the light of COVID-19
- g. requested that members of Audit Committee give consideration to the content of the report.

Question: Would Vision 2025 be brought back to members for consideration once it had been re-profiled?

Response: Vision 2025 would be looked at to consider which schemes would be appropriate to do now and which schemes could be put back a year or two. Members would be consulted on the re-profiled Vision 2025 and then it would go out to public consultation.

Question: IT disaster recovery had been identified for some time would this be continually monitored?

Response: A lot of work had been completed over the last year, there was a new purpose built facility at the depot and all of the kit had been installed. There was one small issue that needed resolving before the project could be completed. There would always be risk of attacks with running an IT facility and we were constantly looking at ways to improve our protection.

Question: How had the team been affected by remote working?

Response: We have started rolling out new devices and we would be in a different position once roll out had been completed.

Question: Referred to page 13 of the report and asked for clarification on the purpose built IT facility?

Response: IT equipment needed a different environment to function at its best. Air conditioning had been fitted and added fire proofing so that it was more secure within its environment.

RESOLVED that the content of the report be noted and monitoring arrangements be continued.

81. Internal Audit Progress Report

John Scott, Audit Manager:

- a. presented the Internal Audit Progress Report to Audit Committee, incorporating the overall position reached so far and summaries of the outcome of audits completed during the period September to November 2020, as detailed at Appendix A
- b. highlighted that Audit Committee held the responsibility for receiving a regular progress report from Internal Audit on the delivery of the Internal Audit Plan as a key requirement of public sector internal audit standards
- c. detailed the content of the report covering the following main areas:
 - Progress Against the Plan
 - Summary of Audit Work
 - Implementation of Audit Recommendations
 - Current Areas of Interest Relevant to the Audit Committee
- d. advised that in line with corporate strategy responding to the pandemic during the early part of 20/21 audit resources were redeployed to deliver key services, supporting business and protecting the most vulnerable.

- e. explained that as a result of this and due to the organisations overall response to the pandemic the 20/21 audit plan was reduced in size and effectively commenced in September 2020. It was intended that sufficient audit coverage would be undertaken to meet statutory responsibilities and provide an audit opinion for 20/21 across governance, risk and internal control.
- f. advised that as a result of the second national lock down and now tier 2 restrictions the audit resources had again be diverted to support the assurance processes around the payment of business support grants. As a result there would be an impact on the audit plan which would be reviewed and re-prioritised in January 2021.
- g. invited committees questions and comments

Question: Expressed concern that the Audit Team were still being utilised to deal with the business grants.

Response: There was a minimum amount of work that was required to be completed to provide assurance each year. Staff had now been brought back to provide support to the audit work. An Audit plan would be brought to a future meeting for consideration.

RESOLVED that the report be accepted and the monitoring arrangements be continued.

82. Internal Audit Recommendations Follow Up

John Scott, Audit Manager:

- a) presented an update to Audit Committee on outstanding audit recommendations including recommendations over 12 months old.
- b) referred to Appendix A attached to his report which provided details of relevant audits, outstanding recommendations, agreed actions and the current position/explanation from the service manager
- c) invited members' questions and comments.

Question: Did the HMO Licensing and Hazards include the Trusted Landlord Scheme?

Response: Yes, it formed part of their work.

Question: A Housing Company on Facebook had publicly questioned the standard of some of the HMO properties that had been accredited by the Councils Trusted Landlord Scheme and asked if this would be addressed as part of the audit?

Response: Yes, this would be looked into further and a response would be sought from Management on this matter.

RESOLVED that updates on Audit Recommendations older than 12 months be noted.

83. Fraud and Error Half Year Report 2020/21

John Scott, Audit Manager

- a. presented the Fraud and Error half year report as attached at Annex A of the report.
- b. advised that Covid-19 had some impact in terms of delaying some pro-active work for 2020/21 and this was outlined in the report and action plan.
- c. advised that the report covered key messages, investigations proactive work, fraud partnerships , referrals and action plans and highlighted the following key areas:
 - Housing Benefit/ Council Tax Support
 - Cyber Crime and Cyber Security
 - National Non Domestic Business Rates and Small Business Rate Relief
 - Council Tax – Single Person Discount
 - Housing tenancy
 - NFI – National Fraud Initiative
 - Grants
 - Fraud Strategy and Policy Review
 - Whistleblowing
 - Fraud Awareness
 - Fraud Risk Register
- d. invited committees questions and comments.

Question: Referred to grants at paragraph 11 of the report and asked if different people would be involved in the fraud work than in the processing of the business grants.

Response: The individual risk assessment and framework had to go to government, we could be subject to independent spot checks.

RESOLVED that the Fraud and Error Half Year Report 2020/21 be noted.

84. Audit Committee Work Programme

John Scott, Audit Manager:

- a. presented a report to inform members of Audit Committee on the work programme for 2020/21 as detailed at Appendix A of the report.
- b. advised that the frequency if meetings had been reviewed and revised to take into account impacts relating to the pandemic and was considered appropriate for 2020/21.

RESOLVED that the contents of the Audit Committee work programme 2020/21 be noted.

