

AUDIT AND RISK MANAGEMENT COMMITTEE

Tuesday, 30 November 2021

Present:

Councillor	K Hodson (Chair)	
Councillors	S Whittingham	J Johnson
	D Brennan	D Burgess-Joyce
	K Cannon	S Mountney
	AER Jones	T Smith
	S Kelly	Jason Walsh

23 WELCOME AND INTRODUCTION

The Chair opened the meeting and reminded everyone that the meeting was being webcast and a copy is retained on the Council's website.

24 APOLOGIES FOR ABSENCE

There were no apologies for absence.

25 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members were asked to consider whether they had any disclosable pecuniary interests and/or any other relevant interest in connection with any item(s) on this agenda and, if so, to declare them and state what they were.

Councillor Stuart Whittingham declared a personal interest in Minute 28 (Internal Audit update) as his employer Mike Whitley MP sat on the Town Deal Board.

26 MINUTES

Resolved – That the minutes of the meeting held on 27 September 2021, be approved.

27 PUBLIC AND MEMBER QUESTIONS

There were no questions, statements or petitions from the public or from Members.

28 INTERNAL AUDIT UPDATE

The Chief Internal Auditor introduced his report which evaluated the performance of the Internal Audit Service and included details of issues

arising from the actual work undertaken during the period 1 September 2021 to 31 October 2021. The outcomes of several ongoing issues were to be brought back to future meetings.

In answer to Members questions, it was established that

- The success of the fraud awareness campaign was measured in the numbers of reported incidents shortly afterward, which should increase.
- Feedback from the real-time auditing of risks in development projects would be reported back to this Committee.

RECOMMENDATION: The Audit and Risk Management Committee notes the report.

29 **UPDATE ON THE WORK OF THE CORPORATE GOVERNANCE GROUP**

The Audit Manager presented the report of the Director of Resources which provided an update on the role of the Corporate Governance Group (CGG) and its activity in the period April – October 2021. Subsequent updates were to be reported twice yearly to this committee.

Members asked questions about the detail in the report and clarified:

- That a breach referred to non-compliance with procurement rules.
- Recruitment process adherence and exit interviews could be included in HR compliance issues.
- Members could liaise with the Chief Internal Auditor concerning any suggested areas for review by the Corporate Governance Group
- Compliance with annual reviews (check-ins) would be included in future compliance reviews.

Resolved – That the report be noted.

30 **CORPORATE RISK MANAGEMENT UPDATE**

The Risk Continuity and Compliance Manager presented the regular report of the Director of Resources which provided an update on the Council's risk management arrangements and areas of risk management focus for the following year. The report was against the backdrop of government reports about the Council's performance and noted risk management training for all Members in January 2022 and that the Committee had a risk sub-group which had been looking at risk appetite.

Members queried details in the report which established:

- A flowchart to show how the Corporate Risk Register was assembled would be shared with Members

- There were Directorate Risk Registers with detail about service-specific risks
- The scores were after the noted mitigation actions
- There were financial and operational risks different ways with using agency staff compared to recruitment
- Risk analysis was subjective
- The scoring system followed best practice

Resolved – That the report be noted.

31 **APPOINTMENT OF INDEPENDENT MEMBERS TO ARMC**

The Chief Internal Auditor presented his report which updated the Committee on the outcome of the recruitment exercise to appoint Independent Members to this Committee to comply with the terms of reference and CIPFA guidance.

Two individuals had been proposed for appointment rather than one as indicated in the Terms of Reference as they had different backgrounds but both were considered to have had valuable skills to bring.

Members requested that explicit written consent be requested from the individuals for their CVs to be shared with all Members to detail their background and help Members in the decision at full Council. This would be investigated by officers.

**Resolved –
That full Council be recommended to appoint Joanne Byrne and Peter McAlister as independent Members to the Audit and Risk Management Committee in an advisory and consultative non-voting role.**

32 **SIRO REPORT**

The Records Manager presented the report of the Director of Law and Governance which presented the annual Senior Information Risk Owners (SIRO) report, which was to inform officers and Members of information governance challenges and to satisfy regulatory requirements.

Members queried the detail which established:

- That there were performance monitoring meetings every 6 weeks to challenge Directors on Subject Access Requests.
- Directors were encouraged to publish as much information as possible to reduce the numbers of Freedom of Information requests.

- There had been no known financial losses due to claims from data breaches or scams.
- Additional staff had been taken on to deal with Subject Access Requests connected with Special Educational Needs and Educational Health Care Plans.

Resolved – that the report be noted.

33 WHISTLEBLOWING REPORTS Q1 & Q2 2021

The Principal Lawyer introduced the report of the Director of Law and Governance which presented the quarterly report on whistleblowing cases. The report did not disclose any identifiable details but noted the issues and measures taken.

It was confirmed that training modules were being developed for officers and Members.

Resolved – that the report be noted.

34 EXTERNAL AUDITOR APPOINTMENT 2023/24 TO 2027/28

The Chief Internal Auditor introduced the report of the Director of Resources which set out proposals for appointing the Council's external auditor for the five-year period from 2023/24.

Resolved – that the Policy and Resources Committee and Full Council be recommended to enter into the option to enter into the procurement exercise led by the Public Sector Audit Appointments Ltd (PSAA) for the appointment of external auditors for a period of five financial years from 1st April 2023.