

## **Audit, Compliance and Governance Committee**

**Wednesday, 14th July, 2021  
6.00 - 7.20 pm**

| <b>Attendees</b>           |  |
|----------------------------|--|
| <b>Councillors:</b>        | Guy Maughfling (Chair), David Willingham (Vice-Chair), Flo Clucas, John Payne and Paul McCloskey (Reserve) |
| <b>Also in attendance:</b> | Barrie Morris, Paul Jones, Darren Knight, Lucy Cater, Jaina Mistry, Beth Cordingley and Judy Hibbert       |

### **Minutes**

**1. APOLOGIES**

Apologies had been received from Councillor Pineger and Councillor McCloskey attended as substitute. Apologies also received from Councillors Stafford and Babbage.

**2. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**3. MINUTES OF THE LAST MEETING**

**RESOLVED** that the minutes of the meeting held on 21 April 2021 be approved and signed as a correct record.

**4. PUBLIC AND MEMBER QUESTIONS**

There were no public and member questions.

**5. ANNUAL INTERNAL AUDIT OPINION 2020/21**

Lucy Cater, Assistant Director, SWAP internal audit services, introduced the Annual Internal Audit Opinion 2020/21 report and appendices and invited questions from members. The first appendix, the Internal Audit Opinion 2020/21, summarised the work of the internal audit team and gives an overall opinion of the effectiveness of the organisation's governance, risk management and internal control environment. Reliance is also placed on work undertaken by the counter-fraud unit and ICT team. Based on the work undertaken over the year an assurance opinion of 'low substantial' was offered. This supports the Council's Annual Governance Statement. Appendix 2 reports on the audits concluded since the last meeting of this committee.

The following responses were given to Member questions:

- The Assistant Director would report back via email on whether ransomware is covered or whether it will come in to scope in due course.
- All Members will be updated on the Council's approach to its exposure to ransomware in order to raise awareness.

- Members were assured that the audit team undertakes testing as part of its work, for example looking at a number of planning applications. Any suggestion of fraud is referred to the counter-fraud team who undertake an investigation. Likewise if the counter-fraud team identifies a control weakness as part of an investigation this will be referred to the audit team.
- The audits of 'Publica Transformation benefits realisation programme' and 'Delivery of services by Publica' had been removed from the work plan to allow SWAP to support the Council during the pandemic; these audits have now been planned for 2021/22.

## **6. INFORMING THE AUDIT RISK ASSESSMENT FOR CHELTENHAM BOROUGH COUNCIL 20/21**

Paul Jones, Executive Director Finance and Assets, presented the Audit Risk Assessment 2020/21. The purpose of the report is to contribute to the effective two way communications between the Council's external auditors Grant Thornton and this committee. In terms of the risk assessment there are five areas (General Enquiries of Management, Fraud, Laws and Regulations, Related Parties and Accounting Estimates) on the checklist which has been completed by a number of officers.

The following responses were given to Member questions and comments:

- Language will be modified and updated to recognise the true extent of the risk as whilst the responses were understood, they required more context for the general audience.
- External auditors receive the report once approved by the committee and this informs the audit procedures undertaken.

## **7. INFORMATION REQUESTS ANNUAL REPORT**

Judy Hibbert, Customer and Support Services Manager, and Beth Cordingley, Customer Relations and Information Officer, presented the report and highlighted the following:

- 610 requests of information had been received, of which 89% were dealt with within the statutory deadline of 20 working days.
- There is an internal review process where people aren't happy with the process; only 16 requests for internal review were received. There were no cases referred to the Information Commissioner.
- The Council's information officer is now a fully qualified FOI practitioner which will help to boost the Council's performance
- In future this report will be brought to the committee annually.

The following responses were given to Member questions:

- Repeat requesters are difficult to deal with and would be dealt with on a case by case basis. There were none over the period.
- There are new processes in place to improve performance and ensure deadlines are met. Assurances were made by the Executive Director of People and Change, that performance will be significantly improved over the next year.

- Applying the correct exemptions is a particular focus because of the associated inherent risk. Now in-house expertise, capability and capacity has been significantly strengthened this will ensure that exemptions are applied correctly and appropriately.
- ICO recognises unprecedented challenges that all staff were facing during the pandemic and that resulted in a number of delays in information requests as staff were dealing with other pressing matters
- If themes of FOI requests are picked up, we can publish information on the council's website to reduce further potential requests for information.

## 8. ANNUAL GOVERNANCE STATEMENT

Ann Wolstencroft, Governance Manager, introduced the report which highlighted what has been done differently this year as a result of the pandemic, particularly:

- Communications and decision making, most particularly the quick set up of open and regular communications
- Quick decision making by ELT and Cabinet which enabled services to continue to be delivered with minimum disruption and enable the set up of activities such as the Hub
- Working in partnership with Publica to manage the fast rollout of laptops to enable working from home and online meetings
- Collaborative and effective team working with colleagues and partners.
- The challenge of responding to the needs of residents, the community and business required innovation, partnership and bravery. A number of national awards have been received for our pandemic response.
- SWAP audit has done a review of the year and how we dealt with the pandemic
- A mini peer review was undertaken by the LGA to look at recovery work, which was positive.

Members added the following comments:

- Whole community response to the challenges presented by the pandemic is acknowledged
- Council role recognised in coordinating agencies and the community to meet the needs of individuals, families and businesses, regardless of size, quickly and sensitively
- Recovery strategy completed and approved by Council whilst still tackling the problems presented by the pandemic; this foresight is to be commended.

The Executive Director People and Change stressed that the Council made huge efforts to respond and this was done in a well governed and well managed way. The plan for recovery is critical as it informs our response and the allocation of resources. It was also worth noting that Cheltenham was one of the first councils to publish the recovery strategy.

**RESOLVED THAT** the 2020/21 Annual Governance Statement be approved.

**9. REVIEW OF DRAFT ACCOUNTING POLICIES JULY 2021**

Paul Jones, Executive Director of Finance and Assets, introduced the report. There are no material changes to accounting policies in 2020/21. Given the impact of the pandemic, a number of proposed changes have been deferred by 12 months. These will come back to the committee for formal approval by the end of September.

The following responses were given to Member questions:

- Regarding accrual of annual leave, the government changed legislation to enable additional leave to be carried over. The accrual of annual leave does not have a financial impact on the Council.

**RESOLVED to note the report.**

**10. WORK PROGRAMME**

It was requested that adding a review of databases and data sources to a future work plan be considered.

It was also confirmed that the statement of accounts would be brought to the ACG in September.

**11. ANY OTHER ITEM THE CHAIRMAN DETERMINES TO BE URGENT AND REQUIRES A DECISION**

None

**12. DATE OF NEXT MEETING**

22 September 2021

Guy Maughfling  
**Chairman**