
Minutes of the meeting of the Audit, Governance and Standards Committee, held in Committee Room 1, County Hall, Chelmsford, CM1 1QH on Monday, 20 January 2020

Present:

Members:

Councillor P Channer	
Councillor T Cutmore	Chairman
Councillor A Davies	
Councillor A Hedley	
Councillor M Maddocks	(substitute for Councillor A Erskine)
Councillor M Mackrory	(substitute for Councillor A Turrell)
Councillor R Mitchell	
Councillor Dr R Moore	
Councillor M Platt	

Also Present:

Barry Pryke	BDO LLP (external auditor)
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ECC Officers:

Alison Ansell	Senior Manager Adult Operations
Karen Bellamy	Counter Fraud Manager
Paula Clowes	Head of Assurance
Victoria Freeman	Senior Democratic Services Officer (clerk to the meeting)
Christine Golding	Chief Accountant
Simon Griffiths	Chief Technology Officer
Rebecca Jarvis	Head of Strategic Commissioning and Policy, Adult Social Care
John Tyreman	Chief Technology Officer
Paul Turner	Director, Legal and Assurance (Monitoring Officer)
Lisa Wilson	Commissioning Support Manager

1 Welcome and Introduction

The Chairman welcomed members of the committee, officers in attendance, and the representative from BDO LLP, the Council's external auditor.

2 Membership, Apologies, Substitutions and Declarations of Interest.

The report of Membership, Apologies and Declarations was received, and it was noted that:

1. The membership of the Audit, Governance and Standards Committee was as shown in the report.

2. Apologies for absence had been received from Councillor Erskine who was substituted by Councillor Maddocks and Councillor Turrell who was substituted by Councillor Mackrory.
3. There were no declarations of code interests or disclosable pecuniary interests. The Chairman reminded members that any interests must be declared during the meeting if the need to do so arose.

3 Minutes and Matters Arising

The minutes of the meeting held on 16 September 2019 were approved as a correct record and signed by the Chairman.

4 Audit Social Care Audits Update

The committee received a report (AGS/47/20 and appendix) from the Director of Local Delivery, Adult Social Care.

Members received an update on the progress to address the recommendations in Internal Audit Reports in relation to Supporting Living (ASC11), Personal Budgets (ASC1) and Carer's Personal Budgets (ASC4).

Members of the committee were advised that a Direct Payment Monitoring Team had been agreed, which would undertake proportionate financial monitoring of Direct Payments and that the team would be in place from April 2020, with benefits being seen by the end of September 2020.

Resolved

That the Committee noted the progress against the recommendations made in the three Internal Audits.

5 Technology Services Audits Update

The committee received a report (AGS/48/20 and appendix) from the Chief Technology Officer.

It was proposed, seconded and unanimously agreed that the press and public be excluded from the meeting on the grounds that consideration of the item involved the likely disclosure of exempt information falling within paragraph 7 of Schedule 12A of the Local Government Act 1972.

Following discussion in private session, it was **resolved**:

- i) That the Committee considered the situation with respect to the implementation of internal audit.
- ii) That a further update be presented at the meeting on the 27 July 2020.

6 Internal Audit and Counter Fraud Progress Report

The committee received a report (AGS/49/19 and appendices) from the Head of Assurance.

Members noted the position regarding Internal Audit and Counter Fraud activity in relation to the 2019/20 Internal Audit Plan (approved by the Audit, Governance and Standards Committee in March 2019) and that it reflected the situation as at 3 January 2020.

In relation to the audit review of 'No Recourse to Public Funds' within the Children, Families and Education function, an initial scoping meeting had indicated very low number of cases due to extensive work with the Home Office. Internal Audit staff had met with the Home Office to gain an understanding of what they do and have established that the area is now lower risk than was originally assessed. The audit review had therefore been removed from the Internal Audit and Counter Fraud Plan.

Concern was expressed regarding the increase in the fraudulent use of blue badges across the county and publicity surrounding this issue. The fraudulent use of blue badges was a high profile issue for the Council, who worked closely with district enforcement teams. Unfortunately, although there had been an increase in the number of prosecutions, the publication of these were beyond the authority's control, as it was dependent on the priorities of the local media.

Resolved:

That the report was noted.

7 Audit Committee Effectiveness review

The committee received a report (AGS/50/20 and appendices) from the Director, Legal and Assurance.

The Chairman explained that he had discussed the proposal with officers and was supportive of the proposal, provided that it led to a plan that worked for the Authority. The committee's work programme would be amended to reflect the work of the review.

Resolved:

That an effectiveness review of the Audit, Governance and Standards Committee be carried out, supported by CIPFA in accordance with the proposal appended to the report.

8 Counter Fraud and Anti-Bribery Strategy

The committee received a report (AGS/51/20 and appendix) from the Head of Assurance.

Resolved:

That the updated Strategy be adopted.

9 Anti-Bribery Policy

The committee received a report (AGS/52/20 and appendix) from the Head of Assurance.

Resolved

That the updated Policy be adopted.

10 Internal Audit Charter

The committee received a report (AGS/53/20 and appendix) from the Head of Assurance.

Resolved:

That the updated Charter be adopted in the form at appendix 1.

11 Risk Management Strategy

The committee received a report (AGS/54/20 and appendix) from the Head of Assurance.

Resolved:

That the revised Risk Management Strategy be approved.

12 Anti-Money Laundering Policy report

The committee received a report (AGS/55/20 and appendix) from the Head of Assurance.

Resolved

That the updated Policy be adopted.

13 Standards: Revised Investigation and Hearings Procedure

The committee received a report (AGS/56/20 and appendix) from the Director, Legal and Assurance.

Resolved:

That the document at Appendix 1 be adopted as the Council's arrangement for the investigation and hearing of complaints of breaches of Code of Member Conduct for all complaints where no decision on investigation has been made before 20 January 2020.

14 Cyber Fraud

The committee received a report (AGS/57/20 and appendix) from the Counter Fraud Manager.

Members received a presentation which highlighted the different types of cyber fraud and provided real life examples.

It was explained that the team worked closely with Trading Standards, and alongside a project with CIFAS, to assist in the protection of vulnerable residents.

Resolved:

That the report be noted.

15 External Audit Framework

The committee received a report (AGS/58/20) from the Executive Director, Finance and Technology.

Members received a presentation on the development of the external audit framework.

Resolved:

That the report be noted.

16 Work Programme

The committee received a report (AGS/59/20) from Paul Turner, Director, Legal and Assurance and noted that an updated version of the report had been circulated prior to the meeting.

The Chairman reminded members that the work programme was subject to regular updates and he encouraged members to suggest any matter that might be included in the programme.

Members noted that the work programme would be amended to include an update on the Technology Services Audits in July 2020 and the work of the Audit Committee Effectiveness review.

Resolved

The report be noted.

17 Date of Next Meeting

The committee noted that the next meeting would be held on Monday 23 March 2020, at 10.00am in Committee Room 1, County Hall.

18 Technology Services Audits Update - Confidential Appendix

The committee considered the confidential appendix to report AGS/48/20 which contained information exempt from publication referred to in that report and in decisions taken earlier in the meeting (minute 5 above refers).

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Chairman
6 July 2020