

STEVENAGE BOROUGH COUNCIL

AUDIT COMMITTEE MINUTES

Date: Wednesday, 24 March 2021

Time: 6.00pm

Place: Virtual (via Zoom)

Present: Councillors: Teresa Callaghan (Chair), John Gardner (Vice-Chair), Sandra Barr, Laurie Chester, Lizzy Kelly, Graham Lawrence and Mr Geoffrey Gibbs (Independent member).

Start / End Time: Start Time: 6.00 pm
End Time: 7.39 pm

1 **APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies for absence were received from Councillors Stephen Booth and David Cullen.

There were no declarations of interest.

2 **MINUTES - 9 FEBRUARY 2021**

It was **RESOLVED** that the Minutes of the Audit Committee meeting held on Tuesday 9 February 2021 be approved as a correct record and signed by the Chair.

3 **PROPOSED SAFS ANTI-FRAUD PLAN 2021/22 AND PROGRESS WITH 2020/21 ANTI-FRAUD PLAN**

Nick Jennings from the Shared Anti-Fraud Service (SAFS) presented the Anti-Fraud Plan for 2021/22. He provided details of the Council's Anti-Fraud and corruption arrangements for 2021/22.

Members were briefed on set of measures in place for staff and members of the public to report suspicions of fraud through a number of channels. Nick Jennings informed Members that SAFS were on target dealing with fraud cases for 2020/21, but was concerned on two areas where the cases had fallen, namely staff referrals and referrals on housing fraud. He advised Members that the shortfall in cases could be the impact of Covid-19, but assured Members that SAFS was closely working with officers to generate greater awareness.

In discussing the key issues, Members noted that there were number of cases that had been held up due to the Covid-19 restrictions and were also related to the Government decision on temporarily banning house evictions.

Members noted the frameworks and procedures were in place to prevent fraud and

protect the Council and customers. Members were assured that the Council was in strong position to deter any opportunistic or serious fraud.

The Committee were in agreement that the current arrangement to protect the Council against fraud and corruption remained effective, resourced and fit for purpose.

In response to a question from a Member, Nick Jennings advised Members that between April and December 2020 SAFS had received 100 allegations of fraud affecting Council Services. SAFS had carried forward 82 live cases from 2019/20 and currently 62 cases were open and under investigation.

It was **RESOLVED**:

- That the Anti-Fraud Plan for 2021/22 be approved.
- That the activity taken to protect the Council against fraud and corruption in 2020/21 be noted.

4 **SIAS INTERNAL AUDIT PLAN 2020/21 - PROGRESS REPORT**

An updated report was received in relation to the progress made by the SIAS in delivering the Council's 2020/21 Internal Audit Plan. The report set out the periodic update for the Internal Audit Plan 2020/21.

In discussing the key issues, Members noted the following final reports had been issued since the last Audit Committee meeting on 9 February 2021:

- Housing Repairs
- Cash and Banking
- Tree Management
- Landlord Health and Safety Compliance

In response to a question from a Member, the SIAS Client Audit Manager advised Members that there was a limited assurance level on Landlord Health and Safety Compliance. This was because of the actions arising from the water risk assessment and monthly water temperature monitoring, the remedial work was due to be completed this month, and he would update Members on the issue at the next Committee meeting.

It was **RESOLVED**:

- That the Internal Audit Progress report be noted.
- That the Status of Critical and High Priority Recommendations be noted.
- That the Proposed Changes to SIAS Audit Opinions be approved.

5 **PROPOSED SIAS INTERNAL AUDIT PLAN 2021/22**

The SIAS Client Manager presented the proposed Internal Audit Plan for 2021/22. The report set out the indicative internal audit start periods.

In response to a question in relation to the Covid-19 impact and disruption to the service, the SIAS Client Manager advised Members that there were two six month plans, and after Quarter 1 and 2, there would be discussions with the officers to review the current position on Covid-19 impact, and this would be reported to the Committee.

The Committee noted the report and acknowledged the assurance SIAS provided on internal audit arrangements to the Council.

It was **RESOLVED**:

- That the proposed Stevenage Borough Council Internal Audit Plan for 2021/22 be approved.

6 **SECTION 106 AGREEMENTS**

The Assistant Director for Planning and Regulatory presented a report in relation to the breakdown of the Section 106 balances and the requirement of each specific scheme. He advised Members on the Section 106 spent for 2019/20, and informed Members that the Council was liaising closely with Hertfordshire County Council Highways to spend £148k on Parking/Transport and £35k for a pedestrian link in the next year.

It was **RESOLVED**:

- That the Section 106 Agreement report be noted.

7 **JOINT ICT INVESTMENT STRATEGY - PROGRESS**

The Strategic ICT and Shared Partnership Manager provided an updated on the Joint ICT Investment Strategy. He outlined the ICT challenges the Council faced at the start of the 2020. He informed Members that there had been progress on the improvement works with crucial months ahead. There had been a huge impact on the service because of the Covid-19 pandemic and the new ways of remote working.

The Strategic ICT and Shared Partnership Manager provided the following key updates to the Committee:

- Supporting the home- working environment.
- Rolled out of laptops in summer 2020 to those who requested one.
- Final stages of the network project were underway; servers, switches and other equipment for the new network were being prepared, and would go live in May 2021, which would provide more stability to users.
- The new hosted desktop would allow users to connect to the updated and

improved tools like Windows 10 with better security. This would go live in July 2021.

- Improving online services to provide more services via self-service.

Members were briefed on details of Paperless Committees Project, which would help the Council in running smooth committee meetings and combat climate change.

In discussing key issues, Members noted that the Covid-19 pandemic had created an unprecedented set of challenges. The shift in ways of working and of accessing services was fundamental and the Council needed to quickly build upon the foundations already established.

It was **RESOLVED**:

- That the Joint ICT Investment progress report be noted.

8 **REVIEW OF CORPORATE AND SERVICE GOVERNANCE ARRANGEMENTS**

The Senior Performance and Resilience Officer provided an update on the Review of the Corporate and Service Governance arrangements. She outlined the activity carried out in 2020/21 to strengthen the Council's corporate governance arrangements.

It was **RESOLVED**:

- That the progress on corporate governance enhancement activity during 2020/21 be noted.
- That the corporate governance enhancement activity identified for 2021/22 to be included in the Council's 2020/21 Annual Governance Statement be noted.
- That the progress of Service Governance Actions identified by the Service Assurance Review carried out in April 2020 be noted.

9 **URGENT PART I BUSINESS**

Audit and Statement of Accounts for 2019/20

The Strategic Director for Finance and Estate (CF) provided an update on the Audit and Statement of Accounts for 2019/20. She informed Members that the accounts had not been signed off as expected from Ernst and Young (E&Y), and she proposed a provisional date for the Audit and Statement of Account Committee meeting to be held during the week commencing Monday 26 April 2021. The Assistant Director (NP) for Finance and Estate provided further update on the matter and explained that he was confident of getting the accounts signed off on time for a meeting in the week commencing 26 April.

10 **EXCLUSION OF PUBLIC AND PRESS**

It was **RESOLVED**:

1. That under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as described in Paragraphs 1 - 7 of Part 1 of Schedule 12A of the Act as amended by Local Government (Access to information) (Variation) Order 2006.

2. That Members considered the reasons for the following reports being in Part II and determined that the exemption from disclosure of the information contained therein outweighed the public interest in disclosure.

11 **STRATEGIC RISK REGISTER**

The Senior Performance and Resilience Officer provided an update on the latest Strategic Risk Register. The report set out the latest Strategic Risk Register and the development on risk management issues.

Members noted the content of the report.

It was **RESOLVED**:

- That the latest Strategic Risk Register be noted.
- That the developments on risk management issues be noted.

12 **URGENT PART II BUSINESS**

None.

CHAIR