

## SUMMARY OF DECISIONS -

<b>Meeting:</b>	Audit Committee	
<b>Date:</b>	Wednesday, 9 November 2022	
<b>Place:</b>	Council Chamber, Daneshill House, Danestrete, Stevenage	
<b>Members Present:</b>	Councillors:	Teresa Callaghan (Chair), Myla Arceno, Stephen Booth, Alex Farquharson, Jackie Hollywell, Graham Lawrence CC, Maureen McKay, Anne Wells (substitute) and Tom Wren. Mr Geoff Gibbs (Independent Co-opted Non-voting Member)

<b>1</b>	<b>APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST</b>	
	<p>Apologies for absence were submitted on behalf of Councillors John Gardner (Vice-Chair) and Loraine Rossati. Councillor Anne Wells was substituting for Councillor Rossati.</p> <p>There were no declarations of interest.</p>	
<b>2</b>	<b>MINUTES - 7 SEPTEMBER 2022</b>	
	<p>It was <b>RESOLVED</b> that the Minutes of the meeting of the Audit Committee held on 7 September 2022 be approved as a correct record and signed by the Chair.</p> <p>In respect of Minute 4 – 2019/20 External Audit Update, the Strategic Director (CF) advised that the Ernst &amp; Young Audit Lead had been on long term sick leave. He had recently returned to work on a phased basis and his priority was to complete work on the 2019/20 SBC accounts. As a consequence, Ernst &amp; Young had confirmed that no work would be progressed on the 2020/21 accounts audit until 2019/20 work was completed.</p> <p>In reply to Members' questions, the Strategic Director (CF) stated that it was unlikely that the position would change with regard to the level of audit fees charged by Ernst &amp; Young. A number of other local authorities were in a similar position to SBC, in that they had three years' unaudited accounts open (including Watford Borough Council and Three Rivers District Council).</p>	

3	<b>SHARED ANTI-FRAUD SERVICE (SAFS) - PROGRESS WITH DELIVERY OF THE 2022/23 ANTI-FRAUD PLAN</b>	<b>N. Jennings (SAFS)</b>
<p>The Shared Anti-Fraud Service (SAFS) Manager presented a report in respect of progress with delivery of the 2022/23 Anti-Fraud Plan.</p> <p>In response to a number of Members' questions, the SAFS Manager advised:</p> <ul style="list-style-type: none"> <li>• he expected an increase in fraud reporting/cases due to the cost of living crisis. An internal communications campaign would be carried out to heighten staff awareness to the potential for increased fraud, and public awareness would be heightened as part of the work on National Fraud Awareness week;</li> <li>• SAFS was one of the supported organisations on the National Fraud Initiative (NFI), although there was a limited amount that would be gained for SAFS from the NFI Fraud Awareness week;</li> <li>• the national estimate that the cost to local government for each social housing property that was being sub-let of at least £42,000 per property included the costs of fraud investigation; bringing the unit back into lettable condition; and the income loss incurred whilst the property was empty;</li> <li>• SAFS staff were employed by Hertfordshire County Council. Rigorous employment checks (including DBS) were carried out on new SAFS staff. The DBS checks for all SAFS staff were reviewed on an annual basis;</li> <li>• the reporting of fraud came from a variety of sources, primarily either from staff or members of the public;</li> <li>• in relation to 6 Council properties that had been sub-let or misused by the tenant and had been recovered, there was a strong likelihood that there were more such cases. It was pointed out that it was often difficult to detect/investigate them or obtain clarity on the level of fraud alleged. SBC had funded a post through the HRA to assist SAFS in the tackling of tenancy fraud; and</li> </ul>		

- he agreed that it was important that National Fraud Awareness week should be advertised in public places for the benefit of those with limited or no access to IT/social media.

It was **RESOLVED** that the work of the Council and the Shared Anti-Fraud Service in delivering the 2022/23 Anti-Fraud Plan be noted.

4

**REVISED WHISTLEBLOWING POLICY 2022**

**N. Jennings  
(SAFS)**

The Shared Anti-Fraud Service (SAFS) Manager presented a report seeking the adoption of a proposed new Whistleblowing Policy for implementation across the Council.

In reply to a Member’s question, the SAFS Manager commented that the revisions to the policy were relatively minor and had been agreed by the SBC Human Resources Team. In view of the minor nature of the revisions, the Trade Unions had not been consulted on the changes.

In response to a number of issues raised by a Member regarding the content of the policy, the Strategic Director (CF) explained that the wording in the document was designed to encourage staff to use the process even if they were perhaps uncomfortable in so doing, as all reported cases would be taken seriously and investigated in a confidential manner. The reason that examples of whistleblowing were not included in the policy was to encourage as wide a breadth of reporting as possible. These points would need to be articulated in the communications to staff regarding the policy.

The Strategic Director (CF) agreed to circulate to Members of the Committee the number of SBC whistleblowing cases that had been investigated over the past 3 years.

It was **RESOLVED**:

1. That the new Whistleblowing Policy, as attached at Appendix A to the report, be adopted, and a communication plan launched to provide assurance to staff who wish to raise genuine concerns at work.

	<p>2. That, due to changes in the senior management at the Council, a Whistleblowing Group be created to review and assess all concerns raised to provide more transparency and consistency in the process.</p> <p>3. That the Council's Head of Human Resources owns the Policy and brings an annual report to the Committee on all disclosures made to the Council under the Policy.</p>	
<b>5</b>	<b>PROGRESS OF CORPORATE GOVERNANCE ACTIONS</b>	<b>S. Brightwell x2966</b>
	<p>The Corporate Performance and Improvement Officer presented a report informing Members of progress with regard to the actions to strengthen the Council's corporate governance arrangements, as identified in the Council's 2021/22 Annual Governance Statement reported to the Committee on 7 June 2022.</p> <p>It was <b>RESOLVED</b> that the progress to date of actions to strengthen the Council's corporate governance arrangements, as identified in the Council's 2021/22 Annual Governance Statement reported to the Committee on 7 June 2022, be noted.</p>	
<b>6</b>	<b>MID YEAR REVIEW OF TREASURY MANAGEMENT STRATEGY 2022/23</b>	<b>B. Moldon</b>
	<p>The Assistant Director (Finance) presented a report in respect of the 2022/23 Mid Year Treasury Management review, including the 2022/23 prudential and treasury indicators.</p> <p>It was <b>RESOLVED</b> that the 2022/23 Mid Year Treasury Management Review and Prudential Indicators report be recommended to Council for approval.</p>	
<b>7</b>	<b>URGENT PART I BUSINESS</b>	
	None.	

8	<b>EXCLUSION OF PUBLIC AND PRESS</b>	
	<p>It was <b>RESOLVED</b> that:</p> <ol style="list-style-type: none"> <li>1. Under Section 100A 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 involve 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.</li> <li>2. 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.</li> </ol>	
9	<b>PART II MINUTES - AUDIT COMMITTEE - 7 SEPTEMBER 2022</b>	
	<p>It was <b>RESOLVED</b> that the Part II Minutes of the meeting of the Audit Committee held on 7 September 2022 be approved as a correct record and signed by the Chair.</p>	
10	<b>STRATEGIC RISK REGISTER</b>	<b>S. Brightwell x2966</b>
	<p>The Corporate Performance and Improvement Officer presented a report providing the Quarter 2 2022/23 (July to September 2022) update in respect of the Strategic Risk Register.</p> <p>The Corporate Performance and Improvement Officer, assisted by the Strategic Director (CF), responded to some questions raised by Members on the report.</p> <p>It was <b>RESOLVED</b> that the latest Strategic Risk Register, as set out at Appendix A1 to the report, be noted.</p>	

11	<b>URGENT PART II BUSINESS</b>	
	None.	