

Minutes of the Meeting of the Standards and Audit Committee held on 21 March 2024 at 7.00 pm

Present: Councillors Fraser Massey (Chair), Kairen Raper (Vice-Chair), Gary Collins, James Thandi and Cathy Kent (substitute for Cllr Lynn Worrall)

Charles Clarke - Co-opted Member
Jasdeep Singh Nijjar – Co-opted Member

Apologies: Councillors Elizabeth Rigby and Lynn Worrall

In attendance:

Gina Clarke, Governance Lawyer
Daniel Fenwick, Executive Director Corporate Services/Monitoring Officer
Colin Ratcliffe, Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance
Rhiannon Whiteley, Senior Democratic Services Officer

Before the start of the Meeting, all present were advised that the meeting may be filmed and was being recorded, with the audio recording to be made available on the Council's website.

[Thurrock Council - Standards and Audit Committee, 21/03/2024 \(youtube.com\)](https://www.youtube.com/watch?v=...)

1. Items of Urgent Business

The Chair confirmed that the Whistleblowing report will need to be deferred to the first meeting in the next municipal year as it is not ready.

The Chair also confirmed that all Members received a letter from Simon Hoare MP yesterday regarding the withholding of Councillor's sensitive interests and home addresses. The Chair stated that he had discussed the letter with officers and a report will be brought in the next municipal year to confirm a council wide approach.

2. Declaration of Interests

No interests were declared.

3. Management Actions from Internal Audit's 2020/21 Reports

The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance presented the report. He explained that at the last meeting of the Standard and Audit Committee on 29 February, the Committee requested that Internal Audit provide a list of "High" and "Medium" priority rated recommendations

from Internal Audit's 2020/21 audit reports so they could review the list and select a set of recommendations for follow up work by Internal Audit. The list is contained within appendix A of the report.

The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance stated that it would likely take 10 full days ($\frac{1}{2}$ a day per action for the internal audit team member to follow up the management actions) and this will impact on the resources for the audit plan. The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance informed the Committee that when the internal service migrated to a new system, the recommendations were lost and it is a resource demand to upload them again on the system and follow through on them.

At 19.09 Councillor Collins joined the meeting

The following key points were highlighted: -

- The Chair noted that some of the recommendations were now 4 years old
- Members queried if the Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance was of the view that any of the recommendations were high risk. He responded that if there was anything high risk, an audit on the current audit plan was likely to cover it and there was nothing that was jumping out to him that needed to be prioritised.
- The Executive Director of Corporate Services and Monitoring Officer confirmed that a shortcut would be to go through SLT and seek an update on the management actions and that something is in place.
- Members queried whether the Commissioners would be happy with this approach. The Executive Director of Corporate Services and Monitoring Officer confirmed he would discuss this with the Director of Finance and with Commissioners.
- The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance provided an update on the recruitment situation for the Internal Audit team. A number of audits have been substantially completed by Mazars. He confirmed that by July 2024 they should be in a good position to deliver on the audit plan and complete an opinion.
- Members discussed project management and Internal Audits review of this.
- Members queried the line of reporting if there is a problem and Internal Audit are denied access to the Council's business even when they are overdue for an audit. The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance responded that this would be shared with Directors, the Leader, the Deputy Leader, the Portfolio Holder, Shadow Portfolio Holder and the Chair of the Standards and Audit Committee. The Internal Audit progress report is also shared with all Standards and Audit Committee members. The Executive Director of Corporate Services and Monitoring Officer confirmed if a service wasn't allowing access to Internal Audit, Internal Audit would report to the Chief Finance Officer, the Monitoring Officer and the Chief of Staff who are known as the 'golden triangle'. The Monitoring Officer has a statutory

duty to ensure the Council acts lawfully. If one of these officers were implicated, Internal Audit could refer it to one of the other officers and bring it to the Standards and Audit Committee.

- The Chair confirmed he would like the Project Management Control Framework management recommendation to be followed up by Internal Audit. The Committee discussed amending the report recommendation to include this. The Chair proposed alternative wording to the recommendation which was seconded by Councillor Raper. Councillor Collins stated that his preference was for the report to come back to the Committee once the full information had been provided. The Committee voted and Councillor Massey, Councillor Raper and Councillor Kent supported the revised wording of the recommendation as set out below. Councillor Collins and Councillor Thandi voted against this.

- **ACTION 1** - The Executive Director of Corporate Services and Monitoring Officer will discuss this with the Director of Finance and Commissioners if they are content for SLT to provide an update on the management actions for the Committee.

- **ACTION 2** - The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance revise the list of recommendations to include associated management actions.

RESOLVED:

- 1.1 The Committee reviewed the list of 2020/21 recommendations at Appendix A and selected the Project Management Control Framework for Internal Audit to follow-up regarding the implementation status of the associated management actions.**

- 1.2 The Executive Director of Corporate Services and Monitoring Officer will check the other Internal Audit management actions with the Senior Leadership team and report back to the Committee.**

4. Internal Audit Charter 2024

The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance introduced the report and explained that the Internal Audit Charter is a formal document that defines the Internal Audit Service's purpose, authority, and responsibility. An effective Internal Audit service should be professional, independent and objective. It should understand the organisation's needs and objectives, be a catalyst for improvement, add value and assist the organisation in achieving its objectives. The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance confirmed that Mazars were

engaged to conduct a review of the Charter. They have looked at other Local Authority's Charters and come up with what they view as good practice.

The following key points were highlighted: -

- Members commented that the Charter was a good document and queried if the Internal Audit service was delivering on its obligations as set out in the Charter. The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance responded that the service was under-resourced and had struggled to recruit and this has impacted on the service's ability to deliver on all of the obligations under the Charter.
- Members queried if they can adopt a Charter in these circumstances. The Executive Director of Corporate Services and Monitoring Officer highlighted that as this was identified as a potential risk it should be included on the Risk register.
- The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance added that in future Internal Audit Progress reports they could include a statement regarding their undertaking under the Charter and where there are any shortfalls.
- The Executive Director of Corporate Services and Monitoring Officer clarified that is the work of the Committee throughout the year to appraise performance with the Charter. He also confirmed that the issues with recruitment in Internal Audit is a national issue and not unique to Thurrock.
- The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance stated that the Charter and Protocol should be a document that the committee members refer to and hold Internal Audit accountable to. Members agreed that each member should have a hard copy of the Charter and Protocol for the first meeting of the municipal year on 6 June 2024.
- The Committee members unanimously agreed the recommendation.

ACTION 3 – Standards and Audit Committee members must be provided with a hard copy of the Charter and Protocol for the first meeting of the municipal year due to take place on 6 June 2024.

RESOLVED:

1.1 That the Standards and Audit Committee approve the Internal Audit Charter 2024 (Appendix 1) and the Chair of the Standards and Audit Committee signs the Charter on behalf of the Committee.

5. Internal Audit Protocol- Item to follow

The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance introduced the report. He confirmed that the Protocol had been refreshed.

The following key points were highlighted: -

- Members queried the relationship with external audit. The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance conceded that he would like communications between the two to be more regular. Internal Audit do share their reports with the external auditors.
- The Chair highlighted the escalation process within the protocol. The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance confirmed that the Standards and Audit Committee will be informed when a service is not fully engaging.
- The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance stated that Governance, the Control Environment and Risk Management is where Internal Audit provide expertise.
- The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance stated that the Divestment report is still outstanding and has been in draft since September and the Freeport report is also outstanding and has been in draft since December but they are advancing and will hopefully published in the next month or so.
- The Interim Head of Financial Assurance, Risk, Internal Audit, and Insurance stated that it was pleasing that Committee members were providing challenge and holding internal audit to account.

RESOLVED:

- 1.1 That the Standards and Audit Committee agree that the Internal Audit Protocol provides the Council and the Internal Audit Service with a process for improving the timeliness of reporting arrangements and sets out a formal escalation process for non-compliance.**

6. Committee on Standards in Public Life Update

The Executive Director of Corporate Services and Monitoring Officer introduced the report and explained that it is about awareness and education. There is a growing issue of abuse and intimidation of councillors. The item is for discussion and members can provide any lines of enquiries they would like to be looked at.

The Governance Lawyer reminded the Committee members that they had received a report previously to exclude councillor's addresses on the register and confirmed the report is for the Committee members to confirm any further action that could be taken to protect members.

The following key points were highlighted:

- Members queried whether the Senior Management Team are also subject to the Nolan Principles. The Executive Director of Corporate Services and Monitoring Officer confirmed that Officers have a Code of Conduct to abide by.
- Members queried what is being done to protect members from harassment and threats. The Executive Director of Corporate Services

and Monitoring Officer stated that it is taken more seriously by the Police and it is increasingly considered an aggravating factor if a victim is in public office. There has also been an increase in online social media offences. There are offences if you receive a series of abusive emails. Guidance can be given to members.

- Members raised concern that the families of elected representatives can also be affected, and they would like this to be taken into consideration.
- Members queried if the police were offering any practical advice to Members. The Executive Director of Corporate Services and Monitoring Officer confirmed that they can liaise with the Police and the Council's own Community Safety Teams about this. All surgery venues should be risk-assessed. Members should sit closest to the door and should not be alone.

RESOLVED:

- 1.1 Note the content of report of the Committee on Public Life's report Leading in Practice (Appendix 1), and consider any matters which may be relevant to the Council that require action.**
- 1.2 Note the research that has been undertaken by the Local Government Association on abuse and intimidation of councillors and consider any matters that may require further to action.**

As it was the last meeting of the municipal year, the Chair thanked the Committee Members, Co-opted Members and Officers for all their hard work and contributions throughout the year.

The meeting finished at 8.56 pm

Approved as a true and correct record

CHAIR

DATE

Any queries regarding these Minutes, please contact Democratic Services at Direct.Democracy@thurrock.gov.uk