

## **Minutes of the Meeting of the Standards and Audit Committee held on 10 March 2022 at 7.00 pm**

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**Present:** Councillors Cathy Kent (Chair), Graham Snell (Vice-Chair), Adam Carter, Gary Collins, Augustine Ononaji and Kairen Raper

**In attendance:** Sean Clark, Corporate Director Resources and Place Delivery  
Matthew Boulter, Interim Monitoring Officer  
Mark Bowen, Interim Head of Legal Services  
Phil Butt, Counter Fraud & Investigations Manager  
Gary Clifford, Chief Internal Auditor  
Lee Henley, Strategic Lead, Information Management  
Jonathon Wilson, Assistant Director, Finance  
Rachel Brittain, Binder Dijke Otte (BDO)  
Jenny Shade, Senior Democratic Services Officer

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

### **28. Minutes**

Minutes of the Standard and Audit Committee held on the 25 November 2021 were approved as a correct record.

### **29. Items of Urgent Business**

There were no items of urgent business.

### **30. Declaration of Interests**

There were no declarations of interest.

### **31. Mid-Year Complaints & Enquiries Report - April 2021 - September 2021**

Lee Henley presented the report and stated the number of complaints received for the reporting period was 827. For the same period last year the figure was 520, therefore the reporting period represented an increase in complaints received. Members were referred to the appendices of the report that summarised details of the top 10 complaint areas, Adult Social Care complaints and a summary for Children Social Care complaints.

Councillor Raper referred to paragraph 2.6 of the report, learning lessons from complaints, where the summary had shown a high level of learning but on the Appendix 1 this had not been included to which Lee Henley stated Appendix 1 had detailed only the top 10 areas that had received the most complaints and key learnings had been summarised for those 10 areas. That high level learning had also been identified from complaints and were detailed from page 25 of the report. Councillor Raper referred to where people had been

reminded of these learnings she questioned what was the quality of assurance and who conducted this to which Lee Henley stated that when a complaint was closed which had been upheld, the learning from these complaints is tracked on the complaints system.

Councillor Ononaji referred to the low number of complaints compared to the size of the borough and questioned whether this was because the council was doing very well or residents were unsure of the procedure on how to make complaints. Lee Henley stated this was the first report that was reporting an increase in complaints and the council promoted the complaints procedure for example in adult social care service where leaflets and posters had been provided in care homes detailing the procedures. Councillor Ononaji questioned whether this number was below the target to which Lee Henley stated there was no targets for the number of complaints only a target for upheld complaints, where lower figures were for the better.

Councillor Collins referred to page 26 of the report and referenced the contact centre and questioned whether there had been any other complaints such as obtaining parking permits which should be included in the report. Lee Henley stated Appendix 1 was the top 10 areas of complaints, complaints may have been received on the contact centre but this area were not in the 10 top and therefore would not have been analysed as part of this report.

Councillor Snell acknowledged the number of compliments received.

Councillor Snell referred to page 25 of the report, Housing – Repairs, Mears, and questioned what was being undertaken to monitor their performance, how regular were these monitored and had this made any difference. Lee Henley stated that housing had a robust contract management controls and procedures around monitoring any contractor complaints. Members were referred to the lower number of complaints for housing repairs v. the number of repairs that were undertaken as a council, therefore when put into perspective this was a very low number when compared to the number of repairs undertaken.

Councillor Ononaji acknowledged and congratulated the zero percentage in the number of Maladministration when compared to the last report and that work had been undertaken to reduce this figure. Councillor Ononaji stated there had been no data available within the report to compare from previous months to which Lee Henley stated the report had listed a summary of all the ombudsman decisions within that reporting period along with any compensation payments paid out by the council and provided details for members on the seven local ombudsman cases over the last six months.

## **RESOLVED**

**Noted the statistics and performance for the reporting period.**

### **32. Internal Audit Progress Report 2021/22**

Gary Clifford presented the progress report that covered the final reports issued since the last progress report to the Standards and Audit Committee in March 2021. The progress report also covered draft reports issued and the work in progress. Members were also referred to Appendix 1, the Internal Audit Progress Report for 2021/22.

Members were provided with an update on the recruitment of the two vacant internal auditor posts in the interviewing of four candidates will take place on the 24 and 25 March for these two vacant posts.

Councillor Collins referred to page 76 of the report and asked for clarification on what a “Advisory” option was for some of the assignments displayed on that table to which Gary Clifford stated this was where a service area came to audit as an issue had been identified and would be looking for audit to go into the service and would be looking for some assurances around the controls and risks within that area.

Councillor Collins questioned whether any workflows were prepared for the work undertaken to which Gary Clifford stated that as part of the ISO work this looked at workflows, practices, procedures and strategies. Other advisory work, such as an issue with a member of staff, they would focus more on the issues that had been identified to them.

Councillor Ononaji referred to paragraph 3.6 of the report and questioned why it had taken so long to fill these vacancies considering the importance of the internal audit. Gary Clifford stated the delays were due to there being a recruitment freeze but directors had now agreed the need for these posts and allowed the recruitment process to commence. Councillor Ononaji stated the report had highlighted several reasons for not having sufficient staff and questioned what could be done going forward which Gary Clifford stated that moving forward the two extra staff would really help the team.

Councillor Kent referred to the interviews taking place next week and questioned when they anticipated the posts would be filled to which Gary Clifford stated this would be dependent on the applicant and the notice period they would have to give and this would not be known until after the interviews.

Lisa Laybourn referred to page 79 of the report and questioned what the action “On-going” in practice meant to which Gary Clifford stated in this instance every service provider who provided spot purchasing contracts would be required to sign up to the council’s terms and conditions. So in respect of the assignment in the report, this would be on-going not just for this year but continue as contracts were let. Lisa Laybourn stated in her experience a procedure would be updated to ensure that was carried out and then close the audit point and questioned whether this could happen to which Gary Clifford stated this would happen when an audit was carried out next in that area.

Charles Clarke referred to paragraph 5.3 of the report, consultation with the council’s external auditors, and stated with the team not having the full complement of staff and the delay of the external audit had there been any

overlaps between the work carried out by the internal and the external auditors. Gary Clifford stated they would contact the external auditors earlier in the year to ensure there would be no overlap.

## **RESOLVED**

**That the Standards and Audit Committee: Consider reports issued and the work being carried out by Internal Audit in relation to the 2021/22 audit plan.**

### **33. Internal Audit Strategy 2020/21 to 2022/23 and Annual Internal Audit Plan 2022/23**

Gary Clifford presented the report and stated that between December 2019 and March 2020, a comprehensive Audit Needs Assessment process had been undertaken which involved attending meetings with each of the Directorate Management Teams to discuss risks and priorities with Directors, Assistant Directors, and other senior management. As a result, a three-year Strategy for Internal Audit 2020/21 to 2022/23 had been developed. During the latter part of this process, the implications from Covid had started to emerge with changes to working practices, and in some cases, changes to job roles. Due to the continually emerging issues, this was not reflected in the plan but as a result, the scope of some reviews changed during the year to ensure the Internal Audit Service was utilising its resources to best meet the needs of the Council. It had been agreed with the Corporate Director of Resources and Place Delivery that as the pandemic had a continuing impact on how services operate, during 2022/23 it would benefit the Council if we continued to have a six-month rolling plan to allow the service to react proactively to changing risks and priorities. Gary Clifford stated the report heading should have read six-monthly instead of Annual.

Councillor Collins referred to Appendix A, External Factors onto Council, taking into the account the current situation with Russia and Ukraine, the impact of taking in refugees into the borough would also need to be added.

Councillor Collins referred to page 97 of the report, Belmont Road, contract review, and asked for further clarification to which Sean Clark stated this was in regard to the relationship between the council and Thurrock Regeneration Limited (TRL). TRL's main operation was house building in terms of providing social housing and were used for more difficult sites. The Belmont Road site had ran into a number of problems after a contract had been let which therefore made it difficult to continue with. At this stage the contract was still with the council so when the compensation claim came in when the contract had not gone ahead this had rested with the council and not TRL.

Councillor Snell referred to page 97 of the report, Arboriculture Services, questioned whether this was a risk and not that the software would have been tested before it was purchased. Gary Clifford stated this was just for assurance that the software and council were doing what they should do.

Councillor Ononaji referred to page 87 of the report that Covid had had a significant impact on how the council and its staff operated and questioned how prepared the council were should they need to tackle another pandemic. Gary Clifford stated that in terms of IT this had been put in place very quickly and successful to enable staff to work remotely and felt the team would be in a good place if another pandemic were to happen.

Councillor Collins referred to page 105 of the report, ISO 9001 - Environmental Services – and questioned whether auditors were now checking their own work to which Gary Clifford stated this was the last ISO 9001 report that had been brought to the last committee which covered waste, highways and a lot of environment services. The audit had previously been provided by an external consultant who charged the council for this service but the internal audit team were now undertaking this work and going down to the depot to go through the paperwork with staff.

## **RESOLVED**

**That the Standards and Audit Committee: Receive and agree the six-month Internal Audit Plan 2022/23.**

### **34. Counter Fraud & Investigation Quarterly Update (Q3)**

Phil Butt presented the report that outlined the performance of the Counter Fraud and Investigation team over the last quarter for Thurrock Council as well as the work the team have delivered nationally for other public bodies.

Councillor Carter thanked Phil Butt for the report and welcomed the proactive work that was being undertaken and referred to page 115 of the report, Proactive Work Plan, Training of high-risk areas in counter fraud measures and questioned whether this was a long course or for multiple people to be trained over this time. Phil Butt stated this was on-going due to changes in staff, changes to legislation, having time to adapt to those changes and it was important to keep running the training.

Councillor Collins referred to page 110 of the report, paragraph 3.1 and referred to the two sanctions that had been delivered in cases of proven fraud and questioned what was meant by sanctions. Phil Butt stated there were many examples of a sanction which could mean that someone had been taken to court criminally or a case that had been referred to HR where a parallel investigation had taken place for a member of staff who had been dismissed, or a property recovered.

Councillor Collins referred to page 110 of the report, paragraph 3.1 and referred to the 91 investigations currently being conducted by the CFI team and questioned whether these were Thurrock based and were there any other cases on top of this number to which Phil Butt stated he did not have this number to hand but would confirm the number and respond to members.

Councillor Collins questioned what it would take to trigger a fraud investigation to which Phil Butt stated there were different methods in which allegations were received such as the whistleblowing scheme, through another law enforcement agency such as the Police, another local authority or from a member of the public.

Councillor Ononaji referred to page 110 of the report and referenced that Housing were at the top of all the tables in relation to suspected fraud cases and questioned why housing fraud was so high and what was being done differently to reduce fraud in the housing section. Phil Butt stating the reason was that housing was a big part of the council in the services that they private to the public and not all reports that were received may not be fraud. Over the past couple of years had worked very proactive with the housing department in terms of the comms that were sent out and continued to work very closely with the housing officers offering training and making visits with them to properties. In relation to prevention this was around working with the housing department and undertaking housing audits which had now started again following the Covid lockdown.

Charles Clarke referred to page 110 of the report referred to the 66 reports of suspected fraud and the 38 investigations that had been closed this quarter and questioned whether the value of detected fraud was part of the 66 reports or as part of those on-going investigations. Phil Butt stated this was part of the on-going as some cases could take a year or more to get to court. Charles Clarke questioned whether this also formed part of the 91 investigations to which Phil Butt stated the 91 was the number that was currently being investigated.

Lisa Laybourn referred to serious organised crime and the council's anti money laundering policies and questioned whether there were any additional risks in the current situation with Russia and whether work plans had been adjusted in response of this. Phil Butt stated the current risk with Russia were more cyber related and the likely increase in mandated fraud. The council had its own cyber team who worked behind the scenes on assisting the council to ensure their systems were watertight. The council also worked alongside other enforcement agencies and to be able to look to see what was happening in other areas.

## **RESOLVED**

### **The Standard and Audit Committee notes on the performance of the Counter Fraud & Investigation service.**

#### **35. Audit Progress Report for the Year Ended 31 March 2021**

Jonathan Wilson introduced the report that detailed the progress of the audit for 2020/21 financial statements. The audit field work was largely complete. However, a significant proportion of work remained subject to the review processes from senior team members. This review process had been delayed by the absence of a key team member. This audit delay remained consistent

with the wider national position and central government had written to the council to set out proposed actions to address delays to the completion of local authority audits. Further action was being taken by CIPFA to reduce the level of audit work required in subsequent years.

Rachel Brittain, from BDO, apologised to Members for not presenting the completion report to the committee this evening which had been the intention but due to the unexpected absence had not been able to get to that position. A number of factors needed to be considered not only being able to replace that individual quickly but a balance between the efficiency point as well. That conversations were being held with her team and would report back to Jonathan Wilson on what the best way forward would be for the council. Some good progress had been made in a number of areas and not a long way off from where they needed to be but focus was on the crucial review period. A higher level of review queries had been addressed as a result of remote working and had been very evident this year. That work would continue with Jonathan Wilson to agree a timeline to deliver the audit.

Councillor Kent referred to the objection to the accounts which had previously been received and questioned why this had not been mentioned in the report to which Rachel Brittain stated the objection was linked to some of the audit work that had to be undertaken so once this had been completed and review she could then look to finalise the objection and go through that review process as well.

Councillor Collins referred to page 118, paragraph 3.3 of the report, and questioned whether the business practices were going to change by going back to working in the office. Rachel Brittain stated that now the restrictions had been lifted changes had been made to the way they would work with one day in the week the team would work together in the office which was a step forward. BDO would be happy to come to the council offices and undertake work there but was also mindful how the council had changed the ways that they worked. With next year looking to be more hybrid working with a couple of days in the office with the finance team and then a couple of days working with the team in their office to ensure a better balance.

Councillor Ononaji referred to page 117, paragraph 2.1 of the report, and questioned whether it was the absence of this one member of staff was the reason the report had been delayed. He questioned why there was not a back-up or an alternative plan that could have been put in place. Rachel Brittain stated that the teams were organised in a hierarchy structure, with more people doing the work and then the review processes would be undertaken and then she would do the final reviews. The engagement team worked alongside the client and got to know the team, they currently did not have teams that mixed in terms of doing different work and resources would have been allocated to audits so would not have people to step in at short notice. That recruitment was an option but as stated in the report the public sector external audit market was really struggling and there was not a big pool of people that could be called in to cover. Councillor Ononaji stated that practices needed to be reviewed and that one absent member of staff should

not paralyse the whole audit as this was not good practice. Rachel Brittain stated the issue had been unclear as to how long that member of staff was going to be off work and there was little efficiency to bring in someone new into the team if that person was going to return. Rachel Brittain reassured Members that there would be a Plan B in place.

Councillor Snell referred to Appendix 3 and questioned how confident were they that the audit deadline had been extended to the 30 November 2022 to which Rachel Brittain stated at this stage she was not confident that this date could be met or not but would obviously do everything possible to meet that deadline to which Councillor Snell stated this was not particularly encouraging.

Councillor Snell agreed with Councillor Ononaji comments that work needed to be decompartmentalised with a more different and modern way of working approach.

Charles Clarke questioned whether there was a completion date for the 2020/21 audits to which Rachel Brittain stated she would work on a plan and discuss with Jonathan Wilson but at this stage was unable to provide a date as she would need to identify a resource to come in and work through the file and make sure they had everything they needed.

Councillor Kent stated her disappointment in the situation that we were currently in and had concerns on what would happen if there was no end date in sight for this year and for next years and questioned what this would have on the stability and robustness of the council's finances. Councillor Kent also had concerns that if the government did not change the audit process in the future what this would mean to the robustness of the authority's finances.

Jonathan Wilson stated the council had met the deadline last year, one of the very few who had. It had been an unfortunate position this year with one member of staff absent, who would have had so much knowledge at this stage of the audit and to be lost at such a critical point it would have been very hard to replace. Jonathan Wilson shared the concerns of members and believed they had not set a reasonable deadline for next year and should have moved it back further. Highlighted there had been some benefits of working and interacting remotely and working from the office in dealing with queries and needed to maximise both to get the audit work complete. Members were informed that they would be kept updated throughout the whole process as things changed and this may be done outside as well as inside the committee.

## **RESOLVED**

**That the Standards and Audit Committee note the progress of the external auditors in completing the audit of 2020/21 financial statements.**

### **36. Ethical Standards**



Matthew Boulter presented the report and requested the committee allow officers to refresh the Member code of conduct to bring it up to date with modern expectations and bring it in line with the Local Government Association model code of conduct. As part of the refresh officers would look at introducing a social media protocol to provide guidance for Members and officers, as well as a refresh of the Member/Officer Protocol and the potential to introduce a Member/Member protocol.

Councillor Collins referred to Appendix 3 and questioned whether any further complaints had been received and questioned what action would be taken on those. Matthew Boulter stated this was all that had been reported and as Interim Monitoring Officer he would work to resolve such complaints with the parties concerned. There were few sanctions the Council could apply if a member was found to have broken the code but the Standards and Audit Committee was the appropriate forum to present any breaches of that code. The aim of the report was to refresh the code of conduct to help officers and Members understand the parameters on how best to work with each other and how to set a good quality of overall behaviour.

Councillor Collins referred to the social media protocol and questioned what points would be considered as part of this, to which Matthew Boulter stated the protocol in Thurrock was slightly outdated with no guidance for members or officers on how members could be protected on how they act or were presented on social media. The legal team would be working on the protocol which would set out how members should conduct themselves on social media. Members training on social media would be arranged for the new municipal year to help members gain skills on how to deal with and navigate challenging or aggressive comments on social media.

Councillor Carter welcomed the proposed refresh of the code of conduct.

Councillor Snell agreed the proposed refresh was overdue and when members were elected they would have been made aware of the standards of conduct that they should follow. There needed to be a suitable forum or local sanctions put in place for those members who breached the code. The Committee commented that some Members were also using their personal social media accounts to comment on council business, which they wondered might be addressed in the refresh if permitted by law. Matthew Boulter suggested this committee was the forum to consider any member behaviour to which the committee agreed to add an item "Member Complaints Update" to the work programme on an annual basis.

Councillor Snell agreed that the LGA recommendation was the best way forward to also learn from other local authorities but reiterated there had to be better sanctions in place for those members who continued to challenge their code of conduct.

Charles Clarke questioned whether there were any longer-term plans, apart from training, to set up single social media accounts for members to which Matthew Boulter stated he felt it would be up to individual members on how

they wished to present themselves on social media either through their council or personal social media accounts. He stated Legal colleagues would be able to comment via the refresh whether the Council could require Members to present themselves in an official capacity online.

Councillor Raper stated that if a code of conduct was drawn up for social media a requirement could be that member's personal social media account should not be used for council business. Matthew Boulter stated there was the local legal power to set those expectations and these could be presented to committee members and full council for their decision.

Councillor Collins referred to the social media policy and questioned how members could be protected from continued harassment and abuse online to which Matthew Boulter stated his intention would be to build some resilience amongst members through a training tool-kit to help them navigate social media conversations

Councillor Kent welcomed the report and commented this committee should have the opportunity to see the policy before the report was presented to full council and stated she had not met or been introduced to the previous two monitoring officers and felt that this should be done to build trust and approachability.

## **RESOLVED**

- 1. The committee consider the LGA model Councillor Code of Conduct as set out in Appendix 1 and consider recommending to Council that this is adopted.**
- 2. The committee consider asking the Monitoring Officer to develop a social media policy which should be adopted at the same time as the model code of conduct.**
- 3. The Monitoring Officer to review the current process for handling member code of conduct complaints and the protocol for Member/officer relations and advise on any changes which should be made.**
- 4. Note the contents and actions to be taken as set in the exempt Appendix 3.**

## **37. Work Programme**

Members signed off the work programme for 2021/22.

Members agreed to add a report on "Update on Program and Project Management" to the first meeting of the 2022/23 work programme.

Members agreed to add a report on the "Update Refresh of Members Code of Conduct, the Social Media Protocol and the refresh of Officer/Member and

Member/Member Protocols” to the first meeting of the 2022/23 work programme.

Members agreed to add a report on the “Member Complaints Update” onto the 2022/23 work programme.

**The meeting finished at 8.44 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](mailto:Direct.Democracy@thurrock.gov.uk)**