

Minutes of the Meeting of the Standards and Audit Committee held on 8 December 2015 at 7.00 pm

Present: Councillors Tunde Ojetola (Chair), Graham Hamilton (Vice-Chair), Yash Gupta (MBE), Barry Johnson, Cathy Kent and Robert Ray

Jason Oliver, Co-Opted Member

Apologies: Councillors Rhona Long

In attendance: Councillor Shane Hebb, Chair of the Corporate Overview & Scrutiny Committee
Sean Clark, Head of Corporate Finance
Gary Clifford, Client Manager for Audit Services
Stephanie Cox, Senior Democratic Services Officer
Andy Owen, Corporate Risk Officer
Gary Staples, ICT Commercial Manager
Kenna-Victoria Martin, 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.

26. Minutes

The Minutes from the previous meeting held on 24 September 2015 were approved as a correct record.

27. Items of Urgent Business

There were no items of Urgent Business.

28. Declaration of Interests

There were no interests declared

29. Review of DBS Checks Policy and Register of Interests Process for Members

Councillor Shane Hebb, Chair of the Corporate Overview & Scrutiny Committee introduced the report to the Committee explaining that the report had been through the Corporate Overview & Scrutiny Committee.

He continued by explaining that the report was to ensure the integrity of Staff and Members of the Council; he notified the Committee that Members of the

Corporate Overview & Scrutiny were content with having their DBS checks published.

The Senior Democratic Services Officer addressed the Committee notifying them that currently Members appointed to the Children's Services Overview & Scrutiny Committee, Health and Wellbeing Overview & Scrutiny Committee, Standards and Audit Committee and Corporate Parenting Committee were required to carry out a DBS Check due to the nature of the Committees.

She continued to explain that it was not possible to publish the DBS Checks; this was in line with strict government regulations, the DBS Code of Conduct relating to sensitive information.

Members were informed that within the next 2 months all 49 Councillors were required to have completed the DBS Form and have returned it the Councils Human resources Department; this could be completed via the Member's Services Department.

During Members discussions the following was enquired:

- If Members already held a DBS Check could they be transferred for different jobs. Officers informed Members that Checks were not portable unless a there was a change in legislation;
- The time limit on receiving a DBS Check was it a strict 2months. The Senior Democratic Services Officer explained that the time limit was to complete the relevant forms; as it may take time to complete. Members were notified that it was the expectation that all members would have submitted the form within the 2 months.

It was suggested that Councillor Code of Conduct be amended to include all Members having a complete DBS Check.

RESOLVED:

The Standards and Audit Committee:

1. **Are recommended to approve Option 1 below (3.14); that enhanced DBS checks are carried out for all Councillors and any Co-Opted Members who are members of any Committee or Board which discharges education or social services functions in line with the proposed policy detailed at Appendix 1.**
 2. **That the current approach to maintaining and publishing Members Register of Interests be endorsed.**
 3. **That the Councillor Code of Conduct be amended to include all Members completing a DBS Check.**
30. **Regulation of Investigatory Powers Act (RIPA) 2000 - Quarterly Activity Report**

The Head of Corporate Finance introduced the report and in doing so, explained that the Council was advised following the RIPA inspection last year that a quarterly activity report would be brought to the Committee.

It was further mentioned the usage and activity of RIPA requests during July 2015 to September 2015 (Quarter 1) was reported as one and that to date there had been one request made to the National Anti-Fraud Network.

RESOLVED:

That the Standards and Audit Committee note the statistical information relating to the use of RIPA from July 2015 to September 2015.

31. Internal Audit Progress Report 2015/2016

The Internal Audit Manager introduced the report to Members informing them that the report set out progress against the Internal Audit Plan 2015/16 and was the second progress report presented to the Standards & Audit Committee in the current municipal year; which detailed audit reviews issued as final since the last progress report presented to the Committee.

Officers further notified the Committee of the following:

- Internal audit provided four levels of assurance opinion on reports carried out, this followed widespread consultation with clients across all services;
- Five areas within the Council had received a Green assurance rating, with regards to control frameworks, with two receiving an Amber/Green opinion and no reports were issued an Amber/Red assurance rating;
- At the request of the client, an advisory review on Special Guardianship was carried out and 4 high level recommendations were identified.

Members were taken through Appendix 1 to the report, which included the advisory review and Key Performance Indicators. The Internal Audit Manager explained to the Committee in relation to the advisory review on Special Guardianship a monthly monitoring and practice review meeting had taken place which he had attended in an advisory capacity.

The Committee sought assurance from Officers in relation to the rating for Fostering. The Internal Audit Manager confirmed to Members that he was happy the recommendations were being followed; he continued to notify the Committee that new processes were now in place.

Following questions from Members, it was explained that the reason the advisory review hadn't been issued an assurance rating was due to the Client requesting the audit to be untaken.

The Chair of the Committee queried the issues within the insurance team. The Head of Corporate Finance explained that team was a small team, with

shared management with the London Borough of Barking and Dagenham and were dealing with sickness issues. He continued to explain that the committee would receive an update report in the New Year.

RESOLVED:

That the Standards & Audit Committee consider reports issued by Internal Audit in relation to the 2015/16 audit plan.

32. Internal Audit Protocol 2015

The report was introduced to the Committee by the Internal Audit Manager, in doing so he explained that the Accounts and Audit Regulations 2015 required that a relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes; taking into account public sector internal auditing standards or guidance.

Members enquired as to what had changed within the operation of the protocol. Officers explained there had been changes within the process, with timescales and turnaround times being amended to tighten up processes.

It was remarked as to the joint working between External and Internal Audit. The Internal Audit Manager clarified that the Internal Audit worked with External Audit; although the outcomes were different. Members were further notified that both team used the same core financial systems, which allowed them to place reliance on work and reduced the amount of testing to be completed.

The Chair of the Committee commented that he was pleased with the report and sought clarity as to whether reports were signed off at cabinet. The Head of Corporate Finance clarified that reports with a red assurance were signed off through Directors Board and then the Standards and Audit Committee.

It was enquired as to who was part of the escalation process. Officers confirmed that the internal audit manager, Head of Corporate Finance, relevant director and if necessary the Chief Executive were all part of the escalation process. In addition an update would need to be given to the Committee.

RESOLVED:

That the Standards & Audit Committee agree that the Internal Audit Protocol provides the Council and the internal audit service with a process for improving the timeliness of the internal audit services' reporting arrangements and provides a formal escalation process for non-compliance.

33. Internal Audit Charter 2015

The Internal Audit Manager introduced the report to Members and in doing so informed them that the Internal Audit Charter was a formal document that defines the internal audit activity's purpose, authority and responsibility. Final approval of the Internal Audit Charter lay with the Standards & Audit Committee.

Committee Members were taken through the report by the Internal Audit Manager, who explained that the signing of the Charter was the Section 105 Officer, Internal audit Manager and the Chair of the Standards and Audit Committee.

RESOLVED:

That the Standards & Audit Committee approve the Internal Audit Charter 2015 and the Chair of the Standards & Audit Committee signs the Charter on behalf of the Committee.

34. Thurrock Annual Audit Letter 2014/2015

The Head of Corporate Finance introduced the report informing Members that the report offered a summary of the information that the Committee had seen at previous meetings. He continued to confirm to Members that the accounts had been signed off within the timeframe.

The Committee praised the superb work and dedication of the finance department. It was asked that the Committee's appreciation be passed to the teams for their hard work.

RESOLVED:

That the Standards and Audit Committee consider the comments of our external auditors as set out in the attached report and note their findings.

35. In Quarter 3 Review of the Strategic/Corporate Risk and Opportunity Register

The report was introduced to the Committee by the Corporate Risk Officer, who explained one of the functions of the Standards and Audit Committee under the Terms of Reference of the Constitution was to provide independent assurance that the Authority's risk management arrangements are adequate and effective.

He continued to clarify that to allow the Committee to consider the effectiveness of the Council's risk and opportunity management arrangements the report was presented on a bi annual basis and provided details of how the key risks and opportunities facing the Authority were identified and managed.

Members were advised that any risks or opportunities which were currently rated 16 or 12 automatically became in focus, and any which were currently

rated 9 or 8 would be considered on a case by case basis for the in focus report.

Mr Oliver enquired as to the ratings for the ICT Infrastructure and ICT Disaster Recovery risks. He queried why the ICT Infrastructure item was rated at 8 and had not been brought in focus. The Corporate Risk Officer explained that the ICT Infrastructure risk was rated lower due to the improvements implemented at the Civic Offices through the transformation programme. The Corporate Risk Officer further reported that the ICT Disaster Recovery risk had been re-evaluated to bring it more in line with the Business Continuity Planning risk and takes into account the recent power failure incident that affected the Civic Offices and ICT servers.

The Head of Corporate Finance addressed the Committee informing them, that the timing of the report came shortly after the Council encountered the IT power outage event. He continued to assure Members that Officers were working behind the scenes to ensure that the Council didn't have to experience the situation again. Committee Members were notified that during the outage the Councils Business Continuity plans were put into practice.

Members sought as to whether Officers carried out tests of the IT Infrastructure and it was confirmed by the ICT Commercial Manager that regular partial outage tests were carried out during the normal monthly maintenance schedule however, in the future, full IT disaster recovery testing would be carried out at least annually in much the same way as a Fire Drill was.

During the Committees discussions it was agreed that for future reports the criteria guide for the likelihood/impact ratings should be included for Members information.

RESOLVED:

That Standards and Audit Committee:

- 1. Note the items and details contained in the Dashboard (Appendix 1)**
- 2. Note the 'In Focus' report (Appendix 2), which includes the items identified by Corporate Risk Management, Performance Board and Directors Board that Standards and Audit Committee should focus on this quarter.**
- 3. Agree for future reports the criteria guide for the likelihood/impact ratings should be included within the report.**

36. Standards Audit Committee 2015-2016 - Work Programme

Members discussed the work programme and agreed for the disaster recovery report to be presented to the first meeting of the new municipal year.

The meeting finished at 9.00 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**