

## **AUDIT AND STANDARDS COMMITTEE**

Monday, 17th July, 2023  
Time of Commencement: 7.00 pm

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**Present:** Councillor Paul Waring (Chair)

**Councillors:** Burnett-Faulkner Whieldon Brockie  
Holland Stubbs

**Apologies:** Councillor(s) Panter and Butters

**Substitutes:** Councillor Andrew Parker

**Officers:** Simon Sowerby Business Improvement  
Manager  
Sarah Wilkes Service Director - Finance /  
S151 Officer  
Clare Potts  
Georgina Evans-Stadward Service Director - Strategy,  
People and Performance

**Also in attendance:** Councillor Stephen Sweeney Deputy Leader of the Council  
and Portfolio Holder - Finance,  
Town Centres and Growth

1. **APOLOGIES**

2. **DECLARATIONS OF INTEREST**

There were no declarations of interest stated.

3. **MINUTES OF PREVIOUS MEETING**

**Resolved:** That the minutes of the meeting held on 30<sup>th</sup> May 2023 be agreed as a true and accurate record.

4. **Q4 CORPORATE RISK MANAGEMENT REPORT 2022/23**

The Business Improvement Manager presented the 2022-23 Quarter 4 Corporate Risk Management Report.

Cllr Stubbs wondered about the impact of the changes in energy prices in relation to Kidsgrove Sports Centre as referred to in paragraph 2.2. The Service Director for Finance (Section 151 Officer) responded that there was an agreement in place stating that the Council would subsidise any losses related to it for the first five years up to a value of £100,000 per year. Regular meetings with the sports centre were scheduled to monitor the situation and as their year-end is in October the Council will be able to factor this in for the financial year ahead.

- Resolved:**
1. That there were currently NO risks more than 6 months overdue for a review up to end of Q4 2022/23 ne noted.
  2. That there had been 1 risk level increase from a Medium C to a Medium D be noted.
  3. That there were no other movement on the Corporate Risk Register be noted.
  4. That the Committee be advised that a new profile had been added in respect of the Shared Prosperity Fund.
  5. That officers be advised of any individual risk profiles that the Committee would like to scrutinise in more details at its next meeting.
  6. That whilst the likelihood of a risk materialising may be mitigated, the likely impacts may not change be noted.

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## 5. **INTERNAL AUDIT ANNUAL REPORT AND ANNUAL OPINION**

The Head of Internal Audit (Stoke on Trent City Council) presented the Internal Audit Annual Report and Opinion. The internal control environment was deemed satisfactory based on the work undertaken throughout the year as stated in paragraph 2.4 of the report. Marginal / neutral opinions were given for planning enforcement, trade waste services and disabled facilities grants. There were also 2 good opinions, 2 satisfactory opinions and 1 without opinion.

Members asked questions and responses were provided as follows:

- Cllr Stubbs referred to the summary page saying that 50% of the work had been completed. Did that mean the other 50% of the work hadn't been completed and had to be carried to the next year or was it a rolling programme? – It was indeed a rolling programme, audits were completed from one year's plan to the next.
- Cllr Stubbs referred to the 39 recommendations made throughout the year, 51% of which had been implemented. How did these figures compare with other authorities? – It varied between authorities and depended on the kind of recommendations that were made. The team would liaise with services managers to understand the causes of issues and reporting back to the senior management team so that appropriate action could be taken. It was often the case that progress had been made and recommendations were not far from being completed.

The Chair requested that recommendations that were not being implemented at all be brought to the committee. The Service Director for Finance (S151 Officer) commented that some of the recommendations were about software system updates regarding notably GDPR which the team was currently awaiting. Cllr Stubbs asked if the systems were required to be legally compliant and if they would run parallel to the old system. – It was clarified that old systems would be running in parallel during the handover period while the new systems were being implemented.

- In reference to Planning Enforcement, paragraph 2.7 of the Annual Report, Cllr Stubbs wished to know how close to having a negative opinion instead of a marginal opinion the Council got. – The recommendations were made against a matrix and there were a lot of positive performance coming across as well.

Cllr Stubbs asked if it was possible to see the matrix. – The systems were reviewed by the team and recommendations would be picked up as part of the One Council programme.

- With regards to disabled facilities grants, Cllr Stubbs wondered if the four recommendations would be pulled through or would the new system operate in a way that would negate the need to look at them. – The disabled facilities grants that were managed by a third party were now back in-house. The recommendations were about this particular contract which hadn't been working as efficiently as it could.
- Reiterating Cllr Stubbs' question the Chair asked for a clarification about whether the matrix was something that could be demonstrated easily or if it was all automated. – It was confirmed that the way the matrix operated could be circulated to members.
- About paragraph 3.5 and the twelve items from the previous year that hadn't been implemented even though progress was made, Cllr Stubbs asked if there were any key reasons why this hadn't been done. – Reasons included software and capacity and were reported to the senior leadership team. They were monitored to be implemented as soon as reasonably practicable. The Head of Internal Audit would provide further details at a later meeting of the committee.

Cllr Whieldon raised that while having things carried out externally meant experiencing delays from being in the hands of other people, bringing things back in house implied having things running in parallel for a while and further delays during the process.

The Service Director for Finance (S151 Officer) commented that a lot of the recommendations were not applicable anymore. Things had changed as part of the One Council programme and some had been superseded by different ways of working.

- Cllr Brockie followed up on Cllr Whieldon's comment and said bringing things back in house had implications for scrutiny. It also meant staff training and maintaining objectivity with the view of saving money and streamlining the service with development and information technologies. It was important to look at what other boroughs were doing not to get too self-analytical and keep bringing external agencies as required to act as critical friends. – Cllr Whieldon supported the statement although reminding that the Committee had the greater knowledge required for scrutiny while contractors often thought they knew what the Council was doing but didn't have the grasp of everything which was throwing out its own problems. The Chair commented that it was the point of the internal audit system. The Service Director for Finance (S151 Officer) clarified that the Finance team was involved with other authorities, constantly swapping ideas and discuss issues as well as what

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was working. The Peer Review Challenge to be discussed at Full Council would be an example of that.

**Resolved:** That the Internal Audit Annual Report for 2022/23 be noted.

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### **6. TREASURY MANAGEMENT ANNUAL REPORT 2022/23**

The Service Director for Finance (S151 Officer) presented the Treasury Management Annual Report, meeting the requirements of the Local Government Act 2003. £17 million were held in investment and £578,000 worth of income had been generated throughout the year. No borrowing was made in 2022-23.

Cllr Stubbs asked how the 4.05 % return on investment was calculated. – This was the highest figure, the average being 2 to 3%. The Chair requested that the report be amended accordingly.

**Resolved:** That the Treasury Management Report for 2022/23 be received and be reported to Full Council on 20 September 2023.

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### **7. HEALTH AND SAFETY REPORT 2022/23**

The Service Director for Strategy, People and Performance introduced the Health and Safety Annual Report 2022-23 including review of a number of policies and procedures as well as training with additional staff completing the accredited IOSH Managing Safely course. Health and safety inspections had resumed as per pre-Covid and repairs were carried out as required.

Members asked questions and responses were provided as follows:

- About table 5.2 of the report, Cllr Stubbs wondered if it was a good thing that more issues were reported. – Less issues were reported during the pandemic and lockdown with fewer inspections taking place. Things had now resumed and the figures were consistent with pre-pandemic reports.
- About an incident involving a flying object hitting a member of staff and resulting in a fracture, Cllr Parker asked what sort of Personal Protective Equipment (PPE) was worn. – The PPE would depend on the sort of task, in this particular case the person was wearing a helmet. Depending on the situation members of staff would also be required to wear ear protections, safety glasses etc. with different policies and procedures to comply with as per risk assessments.
- Cllr Parker asked about the specific case of manual handling and whether there were any procedures in place to address the risks. – It was confirmed that adequate training was provided.
- As the report was up to February 2023 Cllr Parker wished to know if there had been any improvement recorded since. – The figures were not available yet.
- There was a reference of a member of the public who ended up at the hospital after being hit by a vehicle. Cllr Parker asked how the person got to

be hurt and if members of staff had been advised against driving near the public. – Measures were in place to learn from incidents and action was taken to reduce risks. Accidents would unfortunately still occasionally happen despite the best preparations.

- Back to the case of the flying object incident, Cllr Stubbs wished to know the number of days lost as a result of the member of staff being incapacitated. – The incident was reported after the person had returned to work following a period of absence and details were not available.
- Cllr Whieldon raised that contractors and providers had their own health and safety procedures and wondered if they were asked to follow the Councils' policies as well. – Indeed they needed to comply with the Councils' policies and procedures when working on site. Training and induction were provided with written responses to questions being requested to confirm proper understanding.

**Resolved:** That the report be noted.

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#### 8. **WORK PROGRAMME**

The Chair drew member's attention to the fact that the date of the next meeting had been changed to 28<sup>th</sup> September to allow for the auditors' report to be ready.

Cllr Stubbs asked if the Committee could be kept up to date of who would replace the former Service Director for Legal and Governance as second scrutiny champion. – It was confirmed that this would be done.

The Service Director for Finance (S151 Officer) informed members that the external audit plan would be presented in September along with the internal audit report. These would be circulated before the meeting. The Statement of Accounts would also be shared.

**Resolved:** That the work programme be noted.

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#### 9. **URGENT BUSINESS**

There was no Urgent Business.

**Councillor Paul Waring  
Chair**

Meeting concluded at 7.52 pm