



AUDIT AND GOVERNANCE COMMITTEE

MEETING : Monday, 18th January 2021

PRESENT : Cllrs. Wilson (Chair), Brooker (Vice-Chair), Bowkett, Hampson, Lugg, D. Norman and Patel

Others in Attendance

Corporate Director

Head of Communities

Head of Policy and Resources

Group Manager, Audit, Risk and Assurance

Accountancy Manager

Democratic and Electoral Services Team Leader

Principal Auditor (ARA portfolio lead for Gloucester City Council)

APOLOGIES : Cllr. Toleman

38. DECLARATIONS OF INTEREST

38.1 There were no declarations of interest.

39. MINUTES

39.1 The minutes of the meeting held on 16th November 2020 were confirmed as a correct record.

40. PUBLIC QUESTION TIME (15 MINUTES)

40.1 There were no public questions.

41. PETITIONS AND DEPUTATIONS (15 MINUTES)

41.1 There were no petitions or deputations.

42. INTERNAL AUDIT PLAN 2020/21 - PROGRESS REPORT

42.1 The Audit, Risk and Assurance (ARA) Group Manager introduced the newly promoted Principal Auditor to Members and introduced the report, highlighting key features.

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- 42.2 It was outlined that the report confirmed the position against the revised audit plan, including an update on counter fraud team activity. Outcomes from November 2020 and December 2020 were reported, with new activity streams reflected due to risks and issues arising from the Covid-19 pandemic. The Group Manager informed Members that there had been considerable assurance activity as well as wider ARA activity relevant to the partner Council's Covid-19 efforts.
- 42.3 The Group Manager highlighted that the report contained outcomes across six audit areas. This included three follow up audit outcomes, which reflected a positive direction of travel. There were also two assurance outcomes – council tax refunds and debt management. Due to the impact of Covid, a new activity outcome was also reported through the Lost Sales, Fees and Charges claim 1 review.
- 42.4 With regard to the follow up audit, the Chair queried whether there was further work to be done on the purchasing follow up. The Head of Policy and Resources confirmed that actions on this area were in progress and had not been actioned in their entirety at the point of audit follow up.
- 42.5 The Chair sought clarification on who was responsible for collecting debts owed to the Council. The Head of Policy and Resources confirmed that Civica managed debts on behalf of the Council and that service managers were responsible for debts which fell in their area.
- 42.6 In respect of the claim for lost fees and charges during various lockdowns, the Chair noted that only minor adjustments were necessary and thanked the finance team for the good work they had undertaken in compiling and submitting the claim.
- 42.7 **RESOLVED that:** - The Audit and Governance Committee (1) Accept the progress against the Revised Risk Based Internal Audit Plan 2020/21; and (2) Accept the assurance opinions provided in relation to the effectiveness of the Council's control environment comprising risk management, control and governance arrangements as a result of the Internal Audit activity completed to date.

43. MANAGEMENT UPDATE - LIMITED ASSURANCE REPORT - HEALTH AND SAFETY

- 43.1 The Head of Communities outlined that the original audit took place in March 2019 prior to the Council moving premises to Shire Hall and the Gateway. It had been agreed that some of the improvements would be made once the Council had left the HKP warehouses. This had enabled new risk assessments to be carried out and to examine what the improvements would look like in the new setting.
- 43.2 Since the start of the Covid-19 pandemic, a number of the Council's premises had been closed and some services had made significant adjustments to how they worked such as the vast majority of staff working

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from home. The Head of Communities outlined that risk assessments were carried out in respect of home working in tandem with line managers and that risk assessments required changes where changes in government guidance were announced. She also advised that some activity was continually risk assessed such as visits to high risk premises.

- 43.3 The Head of Communities noted that the original audit had found that service managers had displayed a positive attitude to the health and wellbeing of their team members and that the health and safety of Council staff was at the forefronts of everyone's minds, particularly in the context of the Covid-19 pandemic. She provided a summary of a survey that had been conducted among managers and team leaders. Since March 2019, the number of those with line management responsibilities who had completed a risk assessment had more than doubled. Awareness of responsibilities under health and safety legislation had also increased as had the numbers who had undertaken specific training.
- 43.4 The Head of Communities confirmed that all services had up to date risk assessments having been updated in light of Covid. The reason there was a delay between assessing and auditing was in order to test that there were not any gaps in the risk assessments. She advised that inspections had begun and that the Museum of Gloucester and Guildhall audits had been completed.
- 43.5 With regard to an outstanding recommendation on training, the Head of Communities advised that a number of staff had been undertaking 'on the job' training and a staff budget for training had been secured and it was hoped a range of courses would be organized for staff.
- 43.6 On the provision of clarifying the roles and responsibilities between the asset management team and service managers, the Head of Communities confirmed that a piece of software had been purchased which would record all health and safety information across all the Council's premises. She informed Members that this system would allow for different people to be named for different elements.
- 43.7 Councillor D. Norman stated that it was encouraging that there had been improvements despite some unavoidable delays and that there were more staff who understood their responsibilities under health and safety legislation. He advised caution in respect of any future claim against the Council if a member of staff responded negatively to training they had received and as such, comprehensive training was essential.
- 43.8 In respect of working from home, Councillor D. Norman stated that as well as individuals having a responsibility to ensure their own health and safety, the Council did also. He suggested that there was a need to ensure that some form of inspection was made. He also noted the potentially serious consequences in respect of the confluence of corporate manslaughter and health and safety legislation.

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- 43.9 Councillor D. Norman stated that a number of Council's produced an annual report on health and safety which was given to Members. Several Council's also had a health and safety Member champion and suggested that such a role be considered to work with the Head of Communities to ensure that such matters were addressed.
- 43.10 In response to a query from the Chair, the Head of Communities confirmed that procurement of asset management software had concluded and the vast majority of the relevant data had been uploaded. The Head of Communities also confirmed that team leaders 'developing' their risk assessment skills referred to the fact that assessments needed to be continuously changed due to changes in Covid guidance.
- 43.11 Councillor Patel asked, given the majority of staff were working from home, how regularly they were being asked to risk assess their workspace and if there were any issues that had come to light. The Head of Communities advised that staff were asked to complete a Desk Screen Equipment (DSE) assessment and to consider this with their line manager and service managers had been given discretion as to how they support their staff. Staff were also encouraged to take regular breaks and to maintain movement in their bodies. There had also been a significant reduction in sickness absence during the period of working from home.
- 43.12 In response to a further query from Councillor Patel regarding whether there was a budget for office equipment to be used at home, the Head of Communities advised that this would be provided on the basis of occupational health recommending particular equipment as a reasonable adjustment. A number of staff had specific equipment for working at Shire Hall and they had been able to take this equipment home.
- 43.13 The ARA Group Manager advised that the audit plan for 2021/22 was being compiled and home working had been identified as a proposed audit area. The plan would be ready for consideration by the Committee in March 2021. As part of the audit follow up process and based on the management update presented to Committee, the health and safety follow up audit will be deferred to early 2021/22.
- 43.14 **RESOLVED that:-** (1) The Audit and Governance Committee **NOTE** the update and; (2) the appointment of a Member Health and Safety Champion be pursued.

44. REVIEW OF APPOINTMENTS TO AND REPRESENTATION ON OUTSIDE BODIES

- 44.1 The Corporate Director introduced the report and advised that the matter had arisen from the Work Programme in January 2019. It was requested that a review be conducted to examine the Council's operation and effectiveness of appointments to Outside Bodies and whether improvements could be made.

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- 44.2 As part of a working group, Councillors Wilson, D. Norman and Hampson had met with a number of representatives of Outside Bodies to gather information. A number of Outside Bodies had also been invited to attend the Audit and Governance Committee as part of the review process. All organisations had been surveyed as had the Members appointed to those bodies.
- 44.3 The Corporate Director outlined the three areas for recommendation. The first finding showed that the City Council did not provide enough guidance and advice to manage the expectations of Outside Bodies and help Members be effective in their role. A draft guidance note had now been produced to help representatives on Outside Bodies. This would be included in the Constitution following the Council's endorsement of the guidance.
- 44.4 The second issue looked into the mechanisms in place to allow Members to report back on their work as appointees to Outside Bodies. The findings showed there had been some disengagement in this area. There had been a lack of feedback presented in relation to any work as part of the organisation.
- 44.5 The proposed three new mechanisms were:
1. Produce an annual report – a template would be supplied to each representative on Outside Bodies to provide an update on the work they are undertaken. This would seek to ascertain whether the Council's appointment to the Outside Body was worthwhile for the Member, the Council and the organisation they were appointed to.
 2. Provide a 15 minute slot at Council meetings to allow representatives on Outside Bodies to give an update on their work
 3. Open invitation to all Outside Bodies to share their work which can be included in the Members' Bulletin
- 44.6 The Corporate Director advised that the report had been considered by the General Purposes Committee which had recommended that Llanthony Secunda Trust and Gloucester United Schools Charity to be moved from Group C to Group B. He also advised that there had been discussion as to whether it would be more appropriate for reporting to take place at the Overview and Scrutiny Committee rather than full Council.
- 44.7 Councillor Lugg noted that, previously the Overview and Scrutiny Committee had considered urgent matters relevant to outside bodies. She suggested that a slot at the Overview and Scrutiny be introduced to consider such matters. Councillor Lugg also noted that the Gloucester United Schools Charity was a significant asset holder and that it would be appropriate to maintain a presence on this board and, as such, move it from category C into category C as recommended by the General Purposes Committee.
- 44.8 Reflecting on his role as part of the working group, Councillor Hampson advised that it had been a useful exercise and concluded that there were

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many things which were not known about the organisations or Member involvement with them. He stated that proposed reporting mechanisms and guidance would be useful for Members, particularly those who had been recently elected to understand the work that was required and their responsibilities.

- 44.9 The Chair shared his view that if Members' involvement in Outside Bodies was to be considered by Overview and Scrutiny, the discussion would likely be significantly more detailed and could be debated thoroughly. He also queried what would be done if a Member, when reporting on their involvement on the body, responded that it would not be worthwhile continuing the appointment. The Corporate Director advised that it would prompt the Council to initiate discussions on what the issues were and to make appropriate recommendations.
- 44.10 Councillor D. Norman stated that following interviews with the Outside Bodies some expressed views on the role and involvement of Members and how they assisted the organisations. He added that Group Leaders need to ensure they nominate the right Members who should be able to engage with the Outside Bodies which may, for example, be aligned with particular skills or interests.
- 44.11 Councillor Hampson noted that the appointment of holders of Civic Office to Outside Bodies had not been considered. The Corporate Director advised that such appointments were personal to the office held and were not Council appointments as such.
- 44.12 **RESOLVED that:-** The Audit and Governance Committee **RECOMMEND** to Council the adoption of the draft Guidance and reporting mechanisms and endorse the rationalisation of the range of existing appointments and recommend to Council that the changes are approved and incorporated into the Constitution, subject to the following amendment:

That the Overview and Scrutiny Committee receiving the reports referred to in paragraph 3.12.2 of the report instead of full Council.

45. ANNUAL GOVERNANCE STATEMENT IMPROVEMENT PLAN 2019/2020 UPDATE

- 45.1 The ARA Group Manager outlined the report, highlighting key points. She advised that the Annual Governance Statement 2019/20 contained three governance actions to be taken forward. The report was facilitated by ARA and included the up to date position on each action provided by the lead officers. A final update against the action would be agreed and confirmed through the 2020/21 Annual Governance Statement report to be considered by the Committee in July 2021.
- 45.2 The Chair queried when the legislation governing virtual meetings of the Council expired. The Corporate Director stated that this information would be circulated to Members.

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45.3 **RESOLVED that:-** The Audit and Governance Committee **NOTE** the report.

46. APPOINTMENT OF AN INDEPENDENT MEMBER TO THE AUDIT AND GOVERNANCE COMMITTEE

46.1 The Head of Policy and Resources provided a briefing in relation to the Appointment of an Independent Member to the Committee. Following its withdrawal from the Council agenda in January 2020, it was expected to be formally approved at the Council meeting scheduled for March 2020. Due to the Covid-19 pandemic and the lockdown, this meeting had been cancelled and the Managing Director had used his delegated authority to approve it following this meeting's cancellation.

46.2 It was noted that original intention was to progress the recruitment process following the now postponed elections in May 2020. It was suggested that the appointment process begin following the newly scheduled elections due to take place in May 2021. Councillor Wilson stated that this seemed logical and Members were in agreement.

46.3 **RESOLVED that:-** The Audit and Governance Committee **NOTE** the briefing and the recruitment of an Independent Member to the Audit and Governance Committee commence following the next elections to the City Council.

47. AUDIT AND GOVERNANCE COMMITTEE WORK PROGRAMME

47.1 **RESOLVED that:** - The Audit and Governance Committee **NOTE** the Work Programme.

48. DATE OF NEXT MEETING

Monday 8th March 2021 at 6.30pm

Time of commencement: 6.30 pm hours

Time of conclusion: 7.45 pm hours

Chair