

**GOVERNANCE & AUDIT COMMITTEE
24 MARCH 2021
7.30 - 8.51 PM**



Present:

Councillors Allen (Chairman), Wade (Vice-Chairman), Mrs Hayes MBE, Heydon, Leake and Neil

David St John Jones, Independent Member

Apologies for absence were received from:

Councillors Tullett

19. Declarations of Interest

There were no declarations of interest.

20. Minutes of previous meeting

RESOLVED that the minutes of the meeting of the committee held on the 27 January 2021 be approved as a correct record, and signed by the Chairman.

21. Urgent Items of Business

There were no urgent items of business.

22. Head of Internal Audit Update - March 2021

Sally Hendrick, Head of Audit and Risk Management, reported to members an update on the progress of the annual Internal Audit Plan 2021.

In particular it was noted:

- Progress on internal audits had been slow due to the pandemic. Some audits had to be delayed or deferred and the ones that were completed had taken longer than expected as officers had increased pressures on their time.
- There were six areas with recommendations which included the revenue department. This was due to the pressure to get the Covid grants to local business and a staff retirement which left a vacancy in the team.
- Audits were now being produced much more quickly than the previous year.

Following questions, it was noted:

- It was questioned whether auditing priorities had changed due to the pandemic, and it was noted that additional audits had to be carried out for the coronavirus grants and home-schooling grants. Auditing remotely was also more difficult.
- It was confirmed that collection rates are only 1% down compared to last year and were catching up and it was not expected that there would be a deficit this year.

- The first business grants had already been audited and no issues were identified. The discretionary grants were currently being looked at and a report would be given at the next meeting.
- In the Public Protection Partnership, there were some weakness including delays in raising and collecting fees. It was a broad area and although it was well controlled in most areas there was some other specific areas to consider.
- It was noted that counter-fraud pilot had not been able to progress. The investigations had not progressed because they were not able to interview under caution and this had impacted on the launch of a pilot.
- It was noted that the audit on the Public Protection Partnership would be shared with West Berkshire Council.
- It was questioned whether there were any inherent risks due to the delays and it was noted that the most important ones had been prioritised in the next year. In particular, schools would need to be completed next year as they could not be completed remotely. If the Education Authority had any concerns, then that audit would be brought forward.
- It was clarified that not all rent reviews, had been processed and therefore the figures did not reflect the increases.

The Committee noted the update on progress on the Internal Audit Plan for 2020/21

23. **Anti Money Laundering Policy**

Sally Hendrick, Head of Audit and Risk Management, reported to members to approve the update to the money laundering policy.

Following questions, it was noted:

- It was noted that the policy should be reviewed every three years in future.
- There had not been many changes and it was believed the previous policy was still fit for purpose however it was agreed that regular reviews were necessary.

RESOLVED that the Committee approve the updated Anti Money Laundering Policy.

24. **Internal Audit Plan 2021/22**

Sally Hendrick, Head of Audit and Risk Management, reported to members on the internal audit planning process. A number of audits had to be deferred and would be included in the plan as soon as possible.

Following questions, it was noted:

- It was requested that any delayed audits were specifically highlighted and circulated to members.
- It was noted that some audits would be focused on business continuity to consider how prepared the Council would be for this current pandemic to continue.
- Concerns were raised regarding whether the reports sufficiently showed an overview of any issues especially on issues that affected the entire council and would need addressing at a wider level than department level. It was noted that it was useful to find common themes and this had occurred in the past.
- It was questioned whether the use of Time Square and how staff were currently working would be included in the audit plan. It was confirmed that this was being monitored however it would be covered in other areas of the Council rather than as an audit function

- It was noted that highlighting the strategic goals as part of the report was useful.

RESOLVED that the Committee approve the Internal Audit Plan 2021/22

25. **Strategic Risk Register**

Sally Hendrick, Head of Audit and Risk Management, reported to members on the strategic risk register. The register had been reviewed by the senior leadership team three times in the last year. In depth investigations on specific risks and how it has been assessed were included and there was a focus on the response to Coronavirus.

Guidance had been provided as part of the report on how the risk ratings had been reached.

Andrew Hunter, Director of Place, Planning and Regeneration presented to members the in depth risk register. It was noted that the risk would be monitored on an almost weekly basis. Attention had been focused on loss of income and whether services could still be provided. Staff health and wellbeing were also being examined. It was noted that the risk register needed to be reviewed regularly as government guidance meant a quick response was necessary.

Following questions, it was noted:

- It was asked whether the pandemic had impacted on planning appeals and it was noted that although there were some impact initially, this had now been resolved.
- It was noted that the Information Commissioners Officer review would stay on the risk register, however it was highlighted as green.

The Committee noted the updates to the Strategic Risk Register

CHAIRMAN

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