

BRIGHTON & HOVE CITY COUNCIL

AUDIT & STANDARDS COMMITTEE

4.00pm 28 SEPTEMBER 2021

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillors Moonan (Chair) Hugh-Jones (Group Spokesperson), Meadows (Group Spokesperson), Hamilton, Littman and Shanks

Independent Members present: Helen Aston

PART ONE

17 PROCEDURAL BUSINESS

17a Appointment of Chair

17.1 The Executive Lead, Strategy, Governance & Law communicated that the Chair was unwell and unable to attend the meeting. As the committee did not have the position of Deputy Chair, it would be necessary to appoint a replacement Chair for the meeting.

17.2 Councillor Hamilton proposed Councillor Moonan as Chair.

17.3 Councillor Littman seconded the proposal.

17.4 The Committee voted in support of the proposal and Councillor Moonan was appointed as Chair for the meeting.

17b Declarations of Substitutes

17.5 Councillor Littman was present as substitute for Councillor Phillips.

17c Declarations of interests

17.6 Helen Aston noted that as an employee of the pensions regulator, she would not partake in any discussions relating to that matter.

17c Exclusion of the press and public

17.7 In accordance with Section 100A of the Local Government Act 1972 ("the Act"), the Committee considered whether the public should be excluded from the meeting during consideration of any item of business on the grounds that it is likely in view of the business to be transacted or the nature of the proceedings, that if members of the public

were present during it, there would be disclosure to them of confidential information as defined in Section 100A (3) of the Act.

17.8 **RESOLVED** - That the public and press not be excluded from the meeting.

18 MINUTES

18.1 **RESOLVED** – That the minutes of the previous meeting held on 29 June 2021 be approved as the correct record.

19 CHAIR'S COMMUNICATIONS

19.1 There were none.

20 CALL OVER

20.1 All items on the agenda were reserved for discussion.

21 PUBLIC INVOLVEMENT

21.1 No items were received from members of the public.

22 MEMBER INVOLVEMENT

21.2 No items were received from Members.

23 STRATEGIC RISK FOCUS REPORT: SR36, SR23 AND SR21

23.1 The Committee considered a report of the Executive Lead Officer, Strategy, Governance & Law that provided detail on the actions taken and future actions to manage each strategic risk.

SR36 Not taking all actions required to address climate and ecological change and transitioning our city to carbon neutral by 2030

23.2 In response to a question from Councillor Shanks, the Executive Director, Economy, Environment & Culture clarified that electric vehicle bays had been introduced as advisory to pilot how the bays would be used and to aid the transition toward something more permanent.

23.3 In response to a question from Councillor Meadows, it was explained that the review of the council's fleet would be done in such a way to support the council's strategy on weed removal.

23.4 In response to a comment from Councillor Meadows, the Executive Director, Economy, Environment & Culture stated that the opportunity for input into the strategic risks was facilitated by bringing the full risk report to this committee. The Head of Performance Improvement and Programmes added that it was implicit that committee chairs would bring to their ELT lead the discussion points from their committee meetings and that would be made explicit in future reports.

- 23.5 In response to a comment from Councillor Littman, the Executive Director, Economy, Environment & Culture responded that the assessment of SR30 was concerned with the city's response to the climate emergency rather than the outcome of climate change in general, but the matter would be reviewed again.
- 23.6 In response to a question from Councillor Hugh-Jones, the Executive Director, Economy, Environment & Culture clarified that the 35% delivery of the carbon neutral programme related to actions taken that year meaning the programme was on track. There was a huge amount of work to be undertaken with partner organisations and businesses in the city to meet the net zero target by 2030. Good progress was being made on the Local Transport Plan (LTP) and Local Cycling and Walking Infrastructure Plan (LCWIP) with updates reported to ET&S Committee. In relation to the completion rate of 10% for the eastern seafront regeneration projects, this was an honest assessment of a major regeneration project that would need several years for completion.

SR21 Unable to manage housing pressures and deliver new housing supply

- 23.7 In response to a question from Councillor Meadows, the Executive Director Housing Neighbourhoods & Communities answered that verified rough sleepers had a specialised housing pathway so there was not pressure on temporary accommodation arising from rough sleepers. Further, the Executive Director Housing Neighbourhoods & Communities clarified that the allocations policy had been prioritised toward homeless people not verified rough sleepers for whom a different, separate pathway was delivered.

23.8 RESOLVED-

That the Audit & Standards Committee:

- 1) Note the SRR detailed within Table 1 of this report.
- 2) Note Appendix 1 the CAMMS Risk report with details of the three SRs and actions taken ('Existing Controls') and actions planned.
- 3) Note Appendix 2 which provides:
 - i. a guide on the risk management process;
 - ii. guidance on how Members might want to ask questions of Risk Owners, or officers connected to the strategic risks; and
 - iii. details of opportunities for Members, or officers, to input on Strategic Risks at various points and levels.
- 4) Make recommendations for further action(s) to the relevant council body.

24 AUDIT FINDINGS REPORT 2020-21

- 24.1 The Committee considered the Audit Findings Report (AFR) that summarised the findings of the 2020/21 audit by the council's appointed auditor, Grant Thornton, which

was substantially complete. It included the key messages arising from the audit of the financial statements and the results of work undertaken to assess the Authority's arrangements to secure value for money in its use of its resources.

- 24.2 In response to a question from Councillor Hugh-Jones, the External Auditor confirmed that there had been a downward trend in the valuation of retail outlets relating to the pandemic.
- 24.3 In response to a question from Helen Aston, the Acting Chief Finance Officer confirmed that new processes had been put in place in response to the finding made by External Audit.
- 24.4 In response to a query from Councillor Hugh-Jones, the External Auditor stated that there was generally a time lag with government initiatives and how they were factored into auditing standards and it could well be the case that climate related financial disclosure became part of the standard audit.
- 24.5 **RESOLVED-**
- 1) That the Audit & Standards Committee note the findings set out in the 2020/21 Audit Findings Report, asks questions of the auditor as necessary and raises any other matters relevant to the audit of the financial statements.

25 AUDITED STATEMENT OF ACCOUNTS 2020-21

- 25.1 The Committee considered a report of the Acting Chief Finance Officer that provided information about the audit of the council's 2020/21 Statement of Accounts and recommends approval of the 2020/21 audited accounts and the Letter of Representation on behalf of the council.
- 25.2 The Acting Chief Finance Officer and Executive Lead, Strategy, Governance & Law provided clarification on the delegated authority referred to in the recommendations and why that was required. The Acting Chief Finance Officer confirmed that in the event and queries were material to the accounts, a special meeting of the committee would be convened for Members to have oversight of those.
- 25.3 **RESOLVED-** That the Audit & Standards Committee:
- 1) Notes the findings of the auditor (Grant Thornton) in their Audit Findings Report (AFR). The AFR is a separate item on this agenda.
 - 2) Notes the results of the public inspection of the accounts (Section 5).
 - 3) Approves the Letter of Representation on behalf of the council (Appendix 1).
 - 4) Approves the audited Statement of Accounts for 2020/21 (Appendix 3).
 - 5) Delegates authority to the Acting Chief Finance Officer to make any final wording changes and accounting adjustments following the conclusion of any outstanding audit queries provided these are not material to the accounts.

26 INTERNAL AUDIT PROGRESS REPORT – QUARTER 1 (1 APRIL TO 30 JUNE 2021)

- 28.1 The Committee considered a report of the Acting Chief Finance Officer that provided an update on all internal audit and counter fraud activity completed during quarter 1 (2021/22), including a summary of all key audit findings. The report also includes an update on the performance of the Internal Audit service during the period.
- 28.2 In response to a question from Councillor Peltzer Dunn, the Orbis Chief Internal Auditor stated that a discussion would take place on opportunities for wider reporting arrangements for those audits that fall into the partial and minimal assurance bracket.
- 28.3 In reply to a query from Councillor Hamilton, the Orbis Chief Internal Auditor clarified that any audit assigned partial or minimal assurance would have a follow up audit that may widen the audit scope and find additional areas for improvement.
- 28.4 In response to a question from Councillor Shanks, the Head of Human Resources explained that an HR system was used to log when staff PDP's had taken place. However, this system had not been found to be optimal and discussions were taking place with each DMT to put into place a bespoke system for each service.
- 28.5 In reply to a question from Councillor Meadows, the Orbis Chief Internal Auditor explained that a review was currently underway on how Internal Audit reported to the committee and what information and what level was provided and a wider discussion with committee members would take place to inform that review.
- 28.6 In response to a question from Councillor Hugh-Jones, it was confirmed that the Access Modernisation Project was giving Internal Audit assurance that improvements were being made in the area.
- 28.7 **RESOLVED-** That the Committee note the report.

27 RESPONSE TO MEMBERS LETTER: FREEDOM OF INFORMATION REQUESTS

- 27.1 The Committee considered a report of the Assistant Director, Human Resources & Organisational Development that provided a response to the request for an officer report detailing key statistics relating to Freedom of Information (FOI) requests.
- 27.2 In response to questions from Councillor Meadows, it was explained that there was a figure breakdown by department on page 72 of the agenda and page 74 showed the response time according to deadline. In response to the suggestion for a dedicated FOI contact in every council team, it was clarified that there already were organisational contacts depending on the information required. FOI requests often required information from multiple sources and a single person might not have the required access to that information. Furthermore, the council was moving to a digital system that would be more efficient than the current email process and that case management system was currently being trialled with Members. Having a joined up system handling both resident queries, councillor casework and FOI request would enable better performance monitoring and management.

27.3 In response to a question from Councillor Shanks, commercial requests were a high proportion of FOI requests and often related to ascertaining the expiration status of council awarded contracts and the opportunity to bid for those. The legislation meant that the council were obliged to respond to those.

27.4 RESOLVED-

1) That Audit and Standards committee note the FOI data provided in Appendix 1 (Response to Members Letter Freedom of Information requests.pptx), a summary of which is provided below in section 3.

28 STANDARDS UPDATE

28.1 The Committee considered a report of the Executive Lead Officer, Strategy, Governance & Law that updated the Committee on progress in the determination of complaints that Members have breached the Code of Conduct for Members since the last Update report.

28.2 **RESOLVED-** That Members note the information provided in this Report on member complaints concluded or otherwise progressed since the last quarterly report, as well as the data on those which have been received in since then.

29 ITEMS REFERRED FOR COUNCIL

29.1 **RESOLVED-** That Item 27: Response to Members Letter- Freedom of Information requests be referred to Full Council for information.

30 ITEMS FOR THE NEXT MEETING

30.1 There were none.

The meeting concluded at 7.30pm