

## SWT Audit, Governance and Standards Committee - 13 January 2020

Present: Councillor Sue Buller (Chair)

Councillors Lee Baker, Simon Coles, Dixie Darch, Hugh Davies, Janet Lloyd, Steven Pugsley, Vivienne Stock-Williams, Sarah Wakefield, Mrs Anne Elder and Bryn Wilson

Officers: Aditi Chandramouli, Paul Fitzgerald, Clare Rendell, Amy Tregellas and Alastair Woodland

Also Present: Councillors Francesca Smith, Federica Smith-Roberts and Loretta Whetlor

(The meeting commenced at 6.15 pm)

### 49. Apologies

Apologies were received from Councillors C Ellis and T Venner.

### 50. Minutes of the previous meeting of the Audit, Governance and Standards Committee

(Minutes of the meeting of the Audit, Governance and Standards Committee held on 11 November 2019 circulated with the agenda)

**Resolved** that the minutes of the Audit, Governance and Standards Committee held on 11 November 2019 be confirmed as a correct record.

### 51. Declarations of Interest

Members present at the meeting declared the following personal interests in their capacity as a Councillor or Clerk of a County, Town or Parish Council or any other Local Authority:-

Name	Minute No.	Description of Interest	Reason	Action Taken
Cllr L Baker	All Items	Cheddon Fitzpaine & Taunton Charter Trustee	Personal	Spoke and Voted
Cllr S Coles	All Items	SCC & Taunton Charter Trustee	Personal	Spoke and Voted
Cllr H Davies	All Items	SCC	Personal	Spoke and Voted
Cllr J Lloyd	All Items	Wellington & Sampford Arundel	Personal	Spoke and Voted
Cllr F Smith	All Items	Taunton Charter Trustee	Personal	Spoke
Cllr F Smith-	All Items	Taunton Charter	Personal	Spoke

Roberts		Trustee		
Cllr V Stock-Williams	All Items	Wellington	Personal	Spoke and Voted
Cllr L Whetlor	All Items	Watchet	Personal	Spoke

Councillor L Baker further declared an interest as an employee of Lloyds Banking Group.

52. **Public Participation**

No members of the public had requested to speak on any item on the agenda.

53. **Audit, Governance and Standards Committee Action Plan**

(Copy of the Audit, Governance and Standards Committee Action Plan, circulated with the agenda).

The Internal Auditor advised the Committee that he had spoken to the Bereavement Service, who confirmed that they had their Business Plan in place prior to the target date of March 2020. They also advised that they had not implemented their Resilience Plan, but that would be brought back to the Committee at the meeting on 11 March 2020.

**Resolved** that the Audit, Governance and Standards Committee Action Plan be noted.

54. **Audit, Governance and Standards Committee Forward Plan**

(Copy of the Audit, Governance and Standards Committee Forward Plan, circulated with the agenda).

The Monitoring Officer advised that the Corporate Risk Update would be pulled from the agenda for the 11 March 2020 and be replaced with a report on changes to the Constitution.

Councillors were reminded that if they had an item they wanted to add to the agenda, that they should send their requests to the Governance Team.

**Resolved** that the Audit, Governance and Standards Committee Forward Plan be noted.

55. **Grant Thornton External Audit - TDBC Annual Audit Letter**

**Resolved** that the Committee considered and noted the contents of the Annual Audit Letter.

56. **Grant Thornton External Audit - Progress Report**

During the discussion, the following points were raised:-

- Councillors queried whether the errors found in relation to housing benefit (HB) were in favour or against the Council.  
*The External Auditor advised that they carried out the work on behalf of the Department of Work and Pensions (DWP) and that they only had to undertake work on HB overpayments and not underpayments. The External Auditor carried out random tests on 40 cases so could only give that value and then applied the error rate across the board. The Council claimed back HB from the DWP, so that could affect the validation of the subsidy claim to the DWP.*
- Councillors requested clarification on the percentage of cases that were tested.  
*Clarification was given.*
- Councillors queried what checks were carried out on HB underpayments.  
*The External Auditor advised that HB underpayments would be highlighted in their report but no testing was required by the DWP.*

**Resolved** that the Committee noted the report.

#### 57. **SWAP Internal Audit - Progress Report 2018/19**

During the discussion, the following points were raised:-

- Councillors queried why General Data Protection Regulations (GDPR) had been highlighted as a risk when the regulations had been in place since May 2018.  
*The Internal Auditor advised that in March 2019, the Information Commission had confirmed that actions should have been taken and organisations should have the relevant policies in place for officers to follow. However, the Internal Auditor had identified that the Council could be doing more in that area of work.*
- Councillors advised that they did not want audits being pushed back to quarter two when they could be done in quarter one.
- Councillors queried what stage the fraud investigation was at.  
*The Internal Auditor advised that it was coming to a close but he might not be able to report back to the Committee due to the confidential nature of the investigation.*
- Councillors requested clarification on the section of the report on the Performance Management Framework.  
*The Internal Auditor advised that the framework was still in the development stage so could not be audited. The framework was based on the corporate priorities which had only been signed off by Full Council on 8 October 2019. The framework was part of good governance so was on the auditor's radar.*
- Concern was raised that there was no framework in place yet.  
*The Internal Auditor advised there was a framework in place but it needed more structure.*
- Councillors queried why items had been dropped and the terminology used in the report.  
*Clarification was given.*

- Councillors queried when the 'Transformation – Lessons Learned' report would be circulated to the Committee.  
*The Internal Auditor advised it was in the final stages of being compiled and should be available in approximately a months' time.*
- Councillors queried the section of the report on Asbestos Management.  
*The Internal Auditor advised that the work had started and they hoped to report back to the Committee in March 2020.*
- Councillors requested that an update on Asbestos be brought to the Committee with the Fire Risk Assessment report in March 2020.
- Councillors queried what governance was in place that meant Heads of Functions took ownership and ensured that actions had been carried out.  
*Internal checks were carried out and outcomes were fed into the overdue level 1 or 2 priority actions report.*
- Councillors queried why the Payroll Audit was set for September 2020, as that seemed too long away.  
*The audit was classed as a level 3 audit, which meant that September 2020 was the last date that could be given for completion, it did not mean that it would take that long.*

**Resolved** that the Committee noted the progress made in the delivery of the 2019/20 internal audit plan and significant findings since the previous update in September 2019.

58. **6-Month Review of Treasury Management Activity**

During the discussion, the following point was raised:-

- Councillors queried the amount of internal borrowing stated in the report.  
*The Section 151 Officer advised that the figures were detailed in the graph on page 75 of the agenda and included figures on the total need to borrow, the physical loans and the use of some of the Council's own money.*

**Resolved** that the Committee noted the Treasury Management position as at 30 September 2019.

59. **Draft Capital, Investment and Treasury Strategies 2020/21 Progress Update**

During the discussion, the following points were raised:-

- Concern was raised that although the report was a draft document, there appeared to be information missing, so it was hard to give an opinion on the Strategies.
- Councillors were not convinced that the treasury management figures were realistic and wanted the best and safest returns.  
*Officers agreed and wanted the money to work harder and had been working with the Council's treasury advisors to check what options were available.*
- Councillors queried how officers found out about what grants and funding was available for the Council, as they were concerned that opportunities could be missed.

*The Section 151 Officer advised that there were a number of methods, Central Government would write out to Councils to advise what funding was available, the Local Government Association also sent out bulletins with information, plus officer's carried out regular checks too.*

- Councillors queried whether proper procurement methods and reviews were followed when Arlingclose were used.  
*Yes, the Council had tendered for treasury advice and had done so in the last year.*
- Councillors requested clarification on the democratic path of the document.  
*Clarification was given.*

**Resolved** that the Committee deferred the report to the next meeting of the Audit, Governance and Standards Committee scheduled for 11 March 2020.

#### 60. **Risk Management Strategy**

During the discussion, the following points were raised:-

- Councillors agreed that a baseline of 15 was used, but wanted assurance that if the level of risk changed, that it would come back to the Committee quickly for action.  
*Yes, there would be a standing item on the agenda for items to be brought back to the Committee.*
- Councillors wanted assurance that resource would be put in place to assist the Data Information Officer in her role.  
*Yes, training would be given to officers that would support her.*

**Resolved** that the Committee approved the Risk and Opportunity Management Strategy.

#### 61. **Summary of Overdue Level 4/5 Actions**

The Monitoring Officer advised the Committee that there was only one Priority 1 level action and highlighted the following:-

- The Information Management Report highlighted that there was still work to be done on GDPR compliance.
- The Data Protection Officer would distribute the information to the Committee and report back at the meeting in March 2020.
- She advised that a qualified records management officer, Michelle Noad, had come in to carry out work on the Council's document retention scheme and classifications. Due to many officers leaving the organisation, it was noted that multiple documents were stored electronically and in hard format in several different locations which needed to be sorted through.
- The Data Protection Officer advised that an Artificial Intelligence Project would be carried out on the electronic storage folders to highlight where documents were repeatedly held.
- Office 365 was due to be implemented but not until the new financial year.
- Staff communications were being sent out on Freedom of Information (FOI) and Data Protection requests to advise that Firmstep should be used

to log those requests. That would ensure that the Council was being transparent with the information displayed on the Council website. That should also help reduce the number of repeat requests being received as information would then be accessed via the website.

During the discussion, the following points were raised:-

- Councillors queried what FOI requests had been received and whether they included requests from customers for information held by the Council on them.  
*The Data Protection Officer confirmed that those were Subject Access requests. FOI requests could be sent in by anyone and could be questions on any department within the Council.*
- Councillors queried whether there was guidance on best practice sent out from the Information Commission on GDPR.  
*Yes there was a working group that shared best working practices and carried out regular checks on the Information Commission website.*
- Councillors queried what timescales and sanctions were placed on data breaches and whether they applied to the Council and their contractors.  
*The Data Protection Officer confirmed and advised that she was working with the Procurement Officer to ensure that the Council's contractors were GDPR compliant.*

## 62. **Access to Information - Exclusion of the Press and Public**

**Resolved** that the press and public be excluded during consideration of agenda item 15 on the grounds that, if the press and public were present during the item, there would be likely to be a disclosure to them of exempt information of the class specified in Paragraph 2 of Part 1 of Schedule 12A of the Local Government Act 1972 as amended as follows: The items contained information that could release confidential information that would reveal the identity of an individual. It was therefore agreed that after consideration of all the circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

## 63. **Monitoring Officer Update**

The Monitoring Officer gave the Committee an update on her case load that related to complaints received on Local Councillors.

During the discussion, the following points were raised:-

- Councillors queried whether training would be given to the two new Somerset West and Taunton Councillors, as they had missed the original induction sessions.  
*Yes training would be given and would be followed up in their 121 meetings with the Governance Team.*
- Councillors requested clarification on their register of interests being published on the website.  
*Clarification was given.*

- Councillors queried whether their address details should be available on the website.  
*The Monitoring Officer suggested that the rules were due to change as a result of the sad passing of Jo Cox and the implications on councillor safety.*

(The Meeting ended at 9.00 pm)

Draft

