

**CIVIC AFFAIRS**

22 September 2021

5.30 - 7.20 pm

**Present:** Councillors Sargeant (Chair), Davey (Vice-Chair), Dryden and Gehring

**Officers:**

Caroline Ryba-Head of Finance,  
Jody Etherington- Deputy Head of Finance,  
Francesca Lawton-Senior Accountant,  
Jonathan Tully-Head of Shared Internal Audit,  
Stephanie Fisher-Principal Internal Auditor,  
Mark Hodgson EY (External Auditor),  
Eleanor Dent-Deputy Data Protection Officer,  
Gary Clift-Democratic Services Manager

**FOR THE INFORMATION OF THE COUNCIL**

**21/25/Civ Apologies**

Apologies were received from Councillors O'Reilly and Flaubert and the Council's Independent Person, Rob Bennett.

**21/26/Civ Declarations of Interest**

There were no declarations made.

**21/27/Civ Minutes**

The minutes of the meeting held on 14 July 2021 were confirmed as a correct record and signed by the Chair.

**21/28/Civ Public Questions**

There were no public questions.

**21/29/Civ Internal Audit Plan: Progress Report**

The Head of Internal Audit introduced the report. The completed audits on pages 14 and 15 were highlighted and it was noted that there would be a

continuing requirement to report back to both Government and HMRC on the range of business grants allocated throughout the pandemic.

Members asked the following:

- i) Has the Council encountered fraud of any scale yet with regards the Covid business grants?
- ii) Remind how shared services are audited?
- iii) Could strategic risks be linked to assurance work and could the committee pick this up?
- iv) What is the Council's oversight of independent companies eg Cambridge Investment Partnership?
- v) Is the service on track to deliver the Audit Plan by the end of the financial year and are the team's resources sufficient?

The Head of Internal Audit replied in order of the above:

- i) Serious and organised fraud is reported to the National Anti-Fraud Network and Central Government, as it is likely not to be exclusive to Cambridge. We have referred cases and although we are not currently aware of any proven fraud at this stage it is likely there will be evidence of some in the longer term.
- ii) Referring to the Payroll audit and shared services reviews, it is usual for the lead authority to commission the audit and then the other partner councils will be informed of the results.
- iii) There are synergies between risk management and the internal audit risk-based plan, also reflected in the strategy and framework later on the agenda (minute 21/33/Civ).
- iv) Separate and independent entities will have their own governance arrangements. Our Governance Framework, reported in the Annual Governance Statement, will reflect their assurance processes where possible, and the outcome of any reviews we have completed.
- v) It was difficult to say with certainty due to the potential external factors and rapid pace of change. Completion of the plan assumes both the resilience in the team, and the availability of the teams being audited.

## **Resolved-**

To note the contents of the report.

## **21/30/Civ Annual Governance Statement**

The Head of Internal Audit introduced the report.

**Resolved –**

To note the arrangements for compiling, reporting on and signing the AGS; the progress made on issues reported in the previous year; the current review of effectiveness; the issues considered for inclusion in the current AGS.

To note and endorse the amendments to the updated Local Code of Corporate Governance

**21/31/Civ Statement of Accounts 2020/21**

The Senior Accountant introduced the report. An amendment to recommendation 2.2 and a supplementary report had been published earlier in the day and was also tabled. The Committee had been advised that the amendment was a result of an updated valuation of the Council's pension fund assets from the scheme actuary. The officers were anticipating sign off by 30 September, although the late update may delay matters slightly.

Mr Hodgson for the Council's External Auditor (EY) made the following comments:

- i) The Council and EY had worked well, with the Council providing a good set of papers this year which helped enormously. He was hopeful of completion by 30 September. Commentary in Appendix E will go in the Annual Auditor's Report.
- ii) Page 228 illustrated the explanation of the outstanding work on the pensions valuations/disclosures which should be resolved by 30 September.
- iii) Pages 240-247 illustrated an overall unqualified opinion, in summary the Council was in a good place.

Members congratulated the finance team and EY on a productive and timely audit and the Chair asked that Members' appreciation be passed onto the council officer and EY teams who had worked on this.

**Resolved –**

To receive the Audit Results Report presented by EY.

That the Statement of Accounts for the year ended 31 March 2021 (as amended by appendix 1 to the supplementary report) be approved subject to any remaining amendments per recommendation below

That authority be delegated to the Chair, in consultation with the Spokes, to approve any amendments to the Statement of Accounts arising from the remaining audit procedures, provided that these do not have a material impact on the Council's usable reserves or result in any changes to the auditor's opinion.

That the Chair be authorised to sign the Letter of Representation and the Statement of Accounts for the year ending 31 March 2021 on behalf of the Council.

### **21/32/Civ Annual Report on Counter Fraud and Corruption**

The Head of Internal Audit introduced the report.

Members asked the following:

- i) Is there a phone-line to report fraud?
- ii) Have there been whistleblowers this year?
- iii) Is there a need to provide educational communication, to be proactive and prevent fraud?

The Head of Internal Audit replied in order:

- i) There was a dedicated external line which is managed by the Fraud and Enforcement Team.
- ii) There had been two whistleblowers this year.
- iii) We help staff to be vigilant and aware of fraud risks by promoting information on the Council's intranet pages.

### **Resolved-**

To note the contents of the report.

### **21/33/Civ Risk Management Strategy and Framework**

The Principal Internal Auditor introduced the report.

Members asked the following:

- i) How does Audit work with senior management to get buy-in and what training is given?
- ii) If officers make changes, could the document have a change log so the Committee can follow the iterations?
- iii) Will the committee receive a report on the key strategic risks facing the Council with scoring/mitigations/actions required?
- iv) Can the committee receive a review after 6 months of how things are going?
- v) How do we share risk management of shared services?

The officers answered in order:

- i) The draft Strategy and Framework was shared with the Senior Leadership Team and Senior Management Team for their input. Internal Audit are currently working with them to update all corporate and service risk and generate a renewed focus on risk management. Internal Audit are planning further support to managers/Heads of Service on the usage of the Risk Register in the form of formal and ad-hoc training. Heads of Service have been asked to identify/nominate officers to attend training. The Risk Management Intranet pages have also been enhanced to provide more information and support for officers
- ii) Yes
- iii) Roles and responsibilities are set out in the Framework. Executive Councillors should be aware of the key risks in their area through discussion with their Heads of Service. The role of the Committee is to review the Strategy, and the Framework. Officers will consider the Committee's request to be sighted on the key strategic risks and how that can be achieved.
- iv) Yes
- v) Shared Service risks are reported to the Shared Service Board.

### **Resolved-**

To approve the revised Risk Management Strategy and Framework (appendix a) and agree that officers can make subsequent minor updates and amendments.

## **21/34/Civ Freedom Of Information, Data Protection And Transparency: Annual Report 2020/21**

The Deputy Data Protection Officer introduced the report.

In response to a question, the officer undertook to see if FoI could be better highlighted on the website although stating that the vast majority were received via email.

The Committee thanked the officer for a comprehensive report.

**Resolved-**

That the report was noted

**21/35/Civ Calendar of Meetings 2022/23**

The Democratic Services Manager introduced the report. The committee was advised that recommendation 2.1 was withdrawn and the committee would review the decision to hold virtual area committees at its February 2022 meeting in accordance with the Council decision of 28 May 2021.

The Committee was advised that it has been an error to arrange committees in September when the political party conferences (Labour and Liberal Democrat) took place as it had been avoided in previous years. A correction would be made to the proposed 2022/23 calendar to ensure both were avoided.

**Resolved-**

To agree to an additional council meeting in w/c 28 February or 7 March 2022 with the already scheduled 24 February 2022 Council dealing with the budget only. The date for the additional meeting to be agreed by the Chief Executive in consultation with the Mayor and Group Leaders.

To remove the April 2022 council meeting from the calendar.

To agree the meetings calendar for 2022/23.

The meeting ended at 7.20 pm

**CHAIR**