

BRIGHTON & HOVE CITY COUNCIL

AUDIT & STANDARDS COMMITTEE

4.00pm 12 JANUARY 2021

VIRTUAL MEETING (MICROSOFT TEAMS)

MINUTES

Present: Councillors Yates (Chair) Hugh-Jones (Group Spokesperson), Bagaeen (Group Spokesperson), Hamilton, Hill, Littman, Peltzer Dunn and West

Independent Members present: Helen Aston

PART ONE

33 PROCEDURAL BUSINESS

33a Declarations of substitutes

33.1 Councillor West was present as substitute for Councillor Heley.

33b Declarations of interests

33.2 There were none

33c Exclusion of the press and public

33.3 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.

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

34 MINUTES

34.1 **RESOLVED** – That the minutes of the previous meeting held on 27 October 2020 be approved and signed as the correct record.

35 CHAIR'S COMMUNICATIONS

35.1 There were none.

36 CALL OVER

36.1 The following items on the agenda were reserved for discussion:

- Item 39: Strategic Risk Focus Item
- Item 41: Internal Audit Progress Report Quarter 2
- Item 42: Whistleblowing Update
- Item 43: Update on Standards Matters

36.2 The Democratic Services Officer confirmed that the items listed above had been reserved for discussion and that the following reports on the agenda with the recommendations therein had been approved and adopted:

- Item 40: The Redmond Review of Local Audit & Financial Reporting

37 PUBLIC INVOLVEMENT

37.1 No items were received from members of the public.

38 MEMBER INVOLVEMENT

38.1 No items were received from Members.

39 STRATEGIC RISK FOCUS REPORT; SR10; SR18; SR32 AND SR30

39.1 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.

39.2 In response to questions from Helen Aston, the Risk Management Lead explained that Executive Director's frequently spoke with Committee Chair's and discussed the Risk Register once it had been reviewed by ELT. The Risk Management Lead stated that she was not aware of any other local authority where the Risk Register was received by the relevant policy committee. In relation to the requested for a deep dive for SR2, the Risk Management Lead stated this could be undertaken with the relevant committee chair however, as this committee had only recently reviewed SR2, that would be a separate deep dive.

39.3 The Chief Executive stated the Risk Register was regularly discussed with committee chair's at executive level and all Members were briefed on key issues and changing circumstances. Further, performance reports were regularly reported to Policy & Resources Committee..

SR30 Not fulfilling the expectations of residents, businesses, government, and the wider community that Brighton & Hove City Council will lead the city well and be stronger in an uncertain environment

39.4 In response to a question from Councillor Bagaeen, the Chief Executive explained that investment in information technology was of high priority in order to respond to the demand of residents who increasingly wished to access more services digitally.

- 39.5 Councillor West observed that he was listed as a co-Chair in the document which was no longer the case. It was agreed to correct the document correct this error.
- 39.6 In response to a question to Councillor West, the Chief Executive stated that it was the prerogative of the Chair as to which items were listed on committee agendas for decision. From an officer operational perspective, the input of the whole committee was welcomed as this fostered different perspective and challenges.
- 39.7 In response to questions from Councillor Littman, the Chief Executive explained that various cybersecurity policies had been introduced as a response to increased remote working during the pandemic and this reaction had shown that the council had robust information security policies and procedures and a good foundation in terms of access to work devices.

SR10 Corporate information assets are inadequately controlled and vulnerable to cyber-attack

- 39.8 In response to questions and comments from Councillor Littman and Councillor West, the Chief Executive explained that some services and council officers received hostile calls when working from home and this could be particularly distressing for those staff with children sharing the home environment. Therefore, some staff had been given opportunity to work in the office as a means of providing a safer and more supportive working environment. The Head of Human Resources supplemented that additional procedures had been put into place to mitigate the risk of isolation some staff may encounter from remote working.
- 39.9 Councillor Hugh-Jones observed that some of the risk actions in report were marked by heavy use of jargon that may make it difficult for members of the public to understand. It was agreed to amend future versions of the report to address this.

SR18 The organisation is unable to deliver its functions in a modern, efficient way due to the lack of appropriate technology

- 39.10 In response to a question from Councillor Bagaeen, the Executive Lead Officer, Strategy, Governance & Law explained that officers had met with the webcasting provider following the recent, significant issues and had provided assurances that their operational systems would be checked and greater resilience would be built into those systems. Furthermore, dedicated support would be provided, and officers would keep performance under review.

SR32 Challenges to ensure health & safety measures lead to personal injury, prosecution, financial losses and reputational damage

- 39.11 In response to questions from Councillor Hugh-Jones, it was explained that potential issues with fire doors at Essex Place could be investigated and that there were comprehensive risk assessment and specialist help relating to the housing repairs service now being in-house.
- 39.12 **RESOLVED-** That the Audit & Standards Committee:

- 1) Note the SRR detailed within Table 1 of this report.
- 2) Note Appendix 1 the CAMMS Strategic Risk report with details of the 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 any staff, to raise issues on Strategic Risks at various points and levels.

40 THE REDMOND REVIEW OF LOCAL AUDIT AND FINANCIAL REPORTING

40.1 **RESOLVED-** That the Audit & Standards Committee note the report.

41 INTERNAL AUDIT PROGRESS REPORT – QUARTER 2 (1 JULY TO 30 SEPTEMBER 2020)

41.1 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 2 (2020/21), including a summary of all key audit findings.

41.2 In response to questions from Councillor Hugh-Jones, the Audit Manager explained that in relation to business support grants, the Audit Team were in the process of putting together a post-payment certification check. This would be bolstered by the additional assurance provided by the National Fraud Initiative data matching. Checks on applications were carried out before payments were made and there were also spotlight checks undertaken. Protocols were further strengthened by the funding portal requesting a declaration of business rates paid. On incidents of fraudulent activity in Adult Social Care, the Audit Manager explained that the number of cases were low and there were no significant issues identified.

41.3 **RESOLVED-** That the Committee note the report.

42 WHISTLEBLOWING UPDATE

42.1 The Committee considered a report of the Executive Lead Officer, Strategy, Governance & Law that updated the committee on the whistleblowing policy and requested approval of steps to improve the operation of the changes.

42.2 In response to questions from Councillor Hugh-Jones, the Executive Lead Officer, Strategy, Governance & Law replied that many cases were based upon grievances that did not have evidence as a Whistleblowing complaint. However, some cases had been found to be serious and had led to dismissal that clearly demonstrated the need and high value for such a facility.

- 42.3 In response to questions from Councillor West, the Executive Lead Officer, Strategy, Governance & Law clarified that there was a facility to make anonymous Whistleblowing complaints as well as raising issues through trade unions, workers forums who could also represent the complainant. The Executive Lead Officer, Strategy, Governance & Law highlighted that the involvement of senior officers was demonstration of how seriously the authority treated Whistleblowing complaints on options for a corporate email address monitored by Internal Audit and/or an external organisation responsible for receiving and investigating Whistleblowing reports could be considered and investigated. The Executive Lead Officer, Strategy, Governance & Law added that employees were asked about the effectiveness of the Whistleblowing procedures indirectly through the annual staff survey and the main issue received through that process was a request that reports were taken seriously rather than a concern that senior staff were involved in the process.
- 42.4 Councillor Hugh-Jones moved a motion on behalf of the Green Group to amend the recommendations as shown in bold italics below:
- 2.3 That a further report be brought back to a subsequent Audit & Standards Committee this year to provide more detail on the exact cost of an external whistleblowing service to allow Committee to properly evaluate the relative benefits of an external service.***
- 42.5 Introducing the motion, Councillor Hugh-Jones stated that it was a request to ensure the committee were in a fully informed position relating to best practice for Whistleblowing procedures.
- 42.6 Councillor Littman formally seconded the motion stating that it was worth investigating the matter if it was found to enhance the Whistleblowing process.
- 42.7 The Chair agreed that it would be beneficial to learn if the Council's policy was the most effective it possibly could be and a report would assist with that.
- 42.8 The Chair then put the motion to the vote that passed.
- 42.9 The Chair then put the recommendations as amended to the vote that were agreed.
- 42.10 **RESOLVED-**
- 1) That the report be noted
 - 2) That the proposed changes as set out in this report, including the revised whistleblowing policy, a dedicated whistleblowing e-mail address, publicity to the policy and a whistleblowing template/form be agreed
 - 3) That a further report be brought back to a subsequent Audit & Standards Committee this year to provide more detail on the exact cost of an external whistleblowing service to allow Committee to properly evaluate the relative benefits of an external service.

43 UPDATE ON STANDARDS MATTERS

- 43.1 The Committee considered a report of the Head of Law & Monitoring Officer that updated the Committee on complaints that Members have breached the Code of Conduct for Members determined and/or received in during this quarter, and in addition, provided an annual review of complaints against Members made between 1.01.20 and 5.12.20.
- 43.2 In response to a question from Councillor Hugh-Jones, it was explained that a significant proportion of the complaints received were from Members regarding the conduct of another Member and there had been a significant increase in the number of those types of complaints in the past year.
- 43.3 **RESOLVED-**
- 1) That Members note the information provided in this Report on those member complaints which have either been concluded since the last quarterly report or which remain outstanding.
 - 2) That Members further note the data provided regarding member complaints received in during 2020, including the increase in the number of complaints made against elected members of Brighton & Hove City Council during that calendar year.
 - 3) That the Committee agree to set up a cross party task and finish group of Members to review the local Code and the Council's arrangements and to make any recommendations they see fit to the Committee, with particular regard to any changes they consider might assist in dealing with the increase in complaints.

44 ITEMS REFERRED FOR COUNCIL

- 44.1 No items were referred to Full Council for information.

45 ITEMS FOR THE NEXT MEETING

- 45.1 The Committee noted that reports on Cityclean and Debtors would be received at the next meeting.

The meeting concluded at 6.50pm