

**Minutes of:                   AUDIT COMMITTEE**

**Date of Meeting:** 25 November 2021

**Present:** Councillor M Whitby (in the Chair)  
Councillors S Butler, U Farooq, I Gartside, M Hayes,  
J Rydeheard, M Smith and S Wright

**Also in attendance:** Marcus Connor  
Jacqui Dennis  
Sam Evans  
Lynne Ridsdale

**Public Attendance:** No members of the public were present at the meeting.

**Apologies for Absence:**Councillor B Mortenson

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**AU.1           DECLARATIONS OF INTEREST**

Councillor Steve Wright declared a personal interest in any item relating to schools in the Borough as his wife is employed at a local school.

**AU.2           MINUTES OF THE LAST MEETING**

**It was agreed:**

That the Minutes of the last meeting held on 30 September 2021 be approved as a correct record and signed by the Chair.

**AU.3           MATTERS ARISING**

Councillor Gartside asked that the Minutes record the name of the Councillor asking questions rather than stating 'a Councillor'.

**AU.4           FINAL ACCOUNTS**

Sam Evans explained that the Final Accounts were programmed to be on the agenda for this meeting but there had been some issues that had arisen which meant that the item had been deferred.

It was explained that an Extraordinary meeting of the Audit Committee had been scheduled to meet on 20 December 2021.

Mazars, the Council's External Auditor's were working closely with the finance team and it was explained that they were on track to get the work completed on time.

**Delegated decision:**

1. That an Extraordinary meeting of the Audit Committee take place on 20 December 2021 from 7pm.

2. That the Audit Committee meet with the External Auditors at the start of the meeting.

## **AU.5 RISK REGISTER**

Sam Evans presented a report providing an update on the work progressed to date and setting out the efforts that are ongoing to embed a culture of good risk management across the Council.

The report was the first iteration of the Council's Corporate Risk Register, in accordance with the refreshed Risk Management Strategy initially introduced in late 2019. The risks identified are a collation of strategic risks currently present on the departmental "Red Risk" register, together with additional events determined by the Executive Team to pose a threat to the Council's strategic objectives and service delivery.

A total of 17 risks have been identified as those of a genuine corporate nature and are summarised as follows:

- 17 risks are currently present on the Corporate Risk Register;
- 15 risks are currently rated as Significant (risk score 15-25)
- 2 risks are currently rated as High (risk score 8-12)
- Of these 17 risks: 1 has increased in score, 10 have decreased in score and 6 have remained static.

Those present were given the opportunity to ask questions and make comments and the following points were raised:

- Councillor Rydeheard referred to the fact that the Corporate Core had the most risks in the authority and asked whether this was common across public bodies.

It was stated that this was common.

- Councillor Rydeheard asked whether the auditors had found any mitigating factors.

Sam explained that mitigating factors were built into the register and reviewed on a quarterly basis.

- Councillor Rydeheard asked why 10 risks had decreased and it was explained that they were already on departmental registers.
- Councillor Rydeheard also asked whether the risk relating to regulatory compliance was on track to be reduced.

Lynne Ridsdale reported that Information Governance training had been carried out and continued to be provided. This covered regulatory compliance.

- Councillor Gartside referred to Internal Audit findings in relation to Health and Safety and the fact that the report hadn't been taken to Cabinet yet. He asked when this work would be completed.

Lynne Ridsdale explained that the policy was ready and the Governance has been confirmed. A meeting of the Health and Safety JCC has been arranged and will consider the draft policy as well as the Annual Report. It was explained that quarterly reports will be produced going forward and an annual review will be carried out. It was also reported that the work relating to Facilities Management was ongoing and the Health and Safety team were working with the Facilities Management Team. The report will be taken to Cabinet in the New Year.

- Councillor Gartside referred to the Facilities Management Team and asked whether the team members were new staff members or from existing staff.

It was explained that the team were a small team of existing staff with some lower grade staff members helping to support the audit work. The Corporate Health and Safety Team will be reviewed to ensure the best use of existing resources.

- Councillor Mike Smith referred to security within Council buildings and referred to the last meeting of Council where it had seemed that there was no way of checking the public into the meeting.

It was explained that security staff had been on site and were ensuring that the members of the public present were accompanied to the public areas. There had been a couple of issues with unruly members of the public so extra support staff had been brought in and the situation had been dealt with. There had not been any concerns.

Jacqui Dennis explained that a security review paper was due to be considered at the Democratic Arrangements Forum and will be asking all Councillors for their input. Superintendent Chris Hill has been involved with this work. It was also explained that a review was being undertaken at a GM level and the group whips had been asked to lead and ask for their groups' input.

**Delegated decision:**

That the Audit Committee notes the update provided

**AU.6 INFORMATION GOVERNANCE UPDATE**

Lynne Ridsdale submitted a report providing the Audit Committee with an update on Information Governance work completed to date in Quarter 3 of 2021/22.

It was explained that the Information Commissioner is responsible for enforcing and promoting compliance with data protection legislation. Article 58(1) of the UK General Data Protection Regulation (UK GDPR) states that the Information Commissioner's Office (ICO) has the power to carry out investigations in the form of data protection audits. Section 129 of the Data Protection Act 2018 (DPA 18) also provides provision to carry out consensual audits. Additionally, Section 146 of the DPA 18 allows the ICO, through a written "assessment notice", to carry out an assessment of compliance with the data protection legislation.

Bury Council agreed to a consensual audit by the ICO of its processing of personal data. This was originally scheduled for June 2020; however, this was paused in response to the Covid-19 pandemic and was subsequently re-scheduled for 22<sup>nd</sup> – 24<sup>th</sup> June 2021.

The primary purpose of the audit was to provide the ICO and Bury Council with an independent opinion of the extent to which Bury Council, within the scope of the agreed audit, is complying with data protection legislation.

A report has been provided to Bury Council which, along with a series of recommended actions, also reflected on areas of good practice.

Since the provision of the ICO's report, Bury Council has developed a detailed workplan to respond to the issues raised. Progress against the items in the workplan is detailed below.

The ICO made 79 recommendations across the three themes of the audit, which have also been categorised by level of priority as follows:-

	<b>Urgent</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>	<b>Total</b>
<b>Governance and Assurance</b>	7	15	14	2	38
<b>Information Security</b>	-	5	18	8	31
<b>Freedom of Information</b>	-	4	5	1	10

The recommendations have been translated into a detailed improvement plan for delivery by the end of the 2021/22 financial year. The detailed plan, which is performance managed by the Information Governance Steering Group, is available for inspection. A synopsis of activity initially planned was set out in the report.

Those present were given the opportunity to ask questions and make comments and the following points were raised:-

- Councillor Hayes referred to the IG Champions network that was being established and asked what their role would be and whether they were receiving remuneration for taking on this role?

It was explained that the IG Champions would not receive any extra pay in relation to the role. There had been 30 plus staff signed up so far and they would be working pro-actively within their teams to encourage people to think about processes and security in relation to IG within their roles. The Champions would be friendly support that could help with establishing good working practices and procedures.

It was reported that the Champions would be holding their first meeting in mid-December and then regular meetings would be held after that where ideas could be bounced around and experiences shared to bring together examples of both good and bad experiences.

- Councillor Gartside referred to the deadline of August for the policies to be updated to reflect GDPR and stated that this hadn't been completed by the deadline set. Councillor Gartside asked why this was.

Lynne reported that all work had started but there had been a combination of things that had held it back, it was an extensive and complicated piece of work and required quite a lot of legal input, capacity had also been a concern as the Information Governance Manager and Data Protection Officer had only been in place for 6 weeks.

- Councillor Butler referred to the Consensual Audit that was mentioned in the report and asked what this meant.

It was explained that the Council had voluntarily put themselves forward for an audit even though they were aware that there had been breaches. It was felt that the input received from the ICO at that point would be beneficial and would strengthen and support the ongoing work.

- Councillor Whitby asked whether the work will have been completed by the end of the financial year.

Lynne reported that this would be up to date by then and the relevant policies would be available.

**Delegated decision:**

1. That the contents of the report be noted.
2. That all those involved be thanked for their hard work.

**AU.7 COVID 19 UPDATE**

Sam Evans presented a report which set out the position in relation to the grants received in 2020/21 and 2021/22 and where they have been utilised.

In response to the Covid pandemic, the government has made available grants to local authorities both to support them with managing the costs and loss of income resulting from the pandemic and also to support businesses and other key sectors affected by the pandemic as well as individuals suffering from hardship.

Bury Council has received a number of grants since the pandemic. As the pandemic continues across the period 2020/21 -2021/22 the government has announced new grant funding streams in recognition of the ongoing pressures on councils and to also fund new requirements. This means that the position on grants continues to change and is likely to for the remainder of the current

financial year. As of October 22, 2021, the Council has received grant support in response to Covid totalling £151.949m.

The largest area of Covid support in 2020/21 was Support to Business which accounted for 64% of the 2020/21 grant support. It was explained that there has been no further funding to support businesses in 2021/22 as all of the funding was received in 2020/21 in order to aid cashflow and to support getting monies out to businesses quickly. In 2021/22 the largest areas of support was un-ringfenced grant funding and Welfare which accounted for 26% and 25% respectively.

Of the £151.949m received, a total of £144.303m (95%) has been spent or committed leaving an uncommitted grant allocation of £7.646m. The Council are now working with the government around reconciliation of the grants paid out and at the end of reconciliation any uncommitted amounts will be returned to the Government.

Those present were given the opportunity to ask questions and make comments and the following points were raised:-

- Councillor Rydeheard referred to the 5% that had not been spent and asked what the reason behind this was.

It was explained that there was strict criteria on how the money could be allocated. The availability had been promoted and promoted but if businesses did not claim there was nothing that could be done.

- Councillor Rydeheard asked if all applications from businesses for the support had been paid.

It was confirmed that this was the case.

- Councillor Gartside referred to table 1 set out at pg111 where it reported that £7.6m was uncommitted, Councillor Gartside asked whether this would all have to be returned or whether there was still time to promote an allocate?

It was reported that £6.3m of the £7.6m would be returned.

**It was agreed:**

That the contents of the report be noted

**AU.8 INTERNAL AUDIT UPDATE REPORT**

The Acting Head of Internal Audit submitted a report setting out the progress to date against the annual audit plan 2021/22. The report enables Members to monitor the work of the Internal Audit service, raise any issues for further consideration and also provide an opportunity to request further information or to suggest areas for additional or follow up work.

- Twenty-five reports have been issued to Members since the beginning of the financial year, fifteen of which have been issued since the Committee last met in September 2021.

- Of the fifteen reports issued since September 2021, six reports with a Limited assurance have been issued. A total of seven reports with Limited Assurance have been issued during the year to date. These reports will need to be considered within the Annual Governance Statement produced at the end of the financial year 2021/22.
- The original audit plan produced for 2021/22 is to be revised to take account of staffing changes which have occurred since April 2021 and to adjust for Management requests for audit work to be undertaken.

**Delegated decisions:**

1. That the contents of the report and the work undertaken by Internal Audit be noted.
2. That the changes to the Annual Audit Plan for 2021/2022 be approved.
3. That any further required changes to the Audit Plan for 2021/022 be delegated to the Council's s,151 Officer and the Audit Committee Chair.

**AU.9 EXCLUSION OF PRESS AND PUBLIC**

**Delegated decision:**

That in accordance with Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following items of business since they involved the likely disclosure of exempt information, relating to any action taken, or to be taken in connection with the prevention, investigation and prosecution of crime.

**AU.10 INTERNAL AUDIT - AUDIT REPORTS**

The Acting Head of Internal Audit submitted a report setting out information relating to the Internal Audit Reports that had been issued to Members since the last Audit Committee Meeting in September 2021.

Officers were in attendance at the meeting to answer questions in relation to reports that had been received covering the following: -

- Health and Safety
- Members Discretionary Budgets
- Creditors Key Controls
- Cash and Bank Key Controls
- Debtors Key Controls
- Main Accounting Key Controls

**Delegated decision:**

That the information provided be noted.

**COUNCILLOR M WHITBY**  
**Chair**

**(Note: The meeting started at 7.05 pm and ended at 9.10 pm)**