

Audit and Standards Committee

Meeting held 21 January 2021

**PRESENT:** Councillors Sioned-Mair Richards (Chair), Simon Clement-Jones (Deputy Chair), Angela Argenzio, Adam Hurst, Mohammed Mahroof, Dianne Hurst and Alison Howard (Independent Co-Opted Member)

Also in attendance were Jo Cairns and David Waxman, the Councils Independent Persons.

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**1. APOLOGIES FOR ABSENCE**

1.1 An apology for absence was received from Councillor Josie Paszek.

**2. EXCLUSION OF THE PRESS AND PUBLIC**

2.1 The Chair (Councillor Sioned-Mair Richards) stated that the report and appendices at agenda item 10 (Strategic Risk Management) (See minute no. 11 below) were not available to the public and press because they contained exempt information described in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended) relating to the financial or business affairs of any particular person. Accordingly, the public and press would be excluded from the meeting during consideration of that item of business.

**3. DECLARATIONS OF INTEREST**

3.1 No declarations of interest were made.

**4. MINUTES OF PREVIOUS MEETING**

4.1 The minutes of the meeting of the Committee held on 26<sup>th</sup> November 2020 were approved as a correct record.

**5. ICT INSOURCING FROM CAPITA**

5.1 Mike Weston (Assistant Director – ICT Service Delivery) attended the meeting and presented the report.

5.2 Mike informed the Committee that Capita had moved Capita One Education, Integra and AIM Pay 360 to their final hosting locations, but had failed to move Academy Revenues and Benefits to the new Software as a Service Solution and given that the Council was now heading into annual billing, it had been agreed that this will now not move until May 2021 to ensure no adverse impact on the

annual Council Tax Billing process, which started in late December 2020.

- 5.3 The Council's ICT Service had moved all other applications except one from Capita to their new hosting application. The one remaining application – Housing Information at Work – was scheduled to move to Northgate in December 2020, but this was hampered by the availability of Northgate resources and was now scheduled to be completed by 1 February 2021, although the Council was pushing Northgate for an earlier date.
- 5.4 Insourcing ICT had been successful and the Council now had full control of its ICT infrastructure.
- 5.5 Councillor Angela Argenzio asked whether Capita staff had been transferred over to Sheffield City Council via Tupe and whether the insourcing had included archived information. Mike Weston informed Committee that staff had been insourced via Tupe on 4<sup>th</sup> January 2020 and full consultation had taken place beforehand. It had been difficult to build knowledge while officers were working from home during the pandemic, but a full skills analysis was being carried out. All information, including any archives had been transferred from Capita.
- 5.6 Councillor Adam Hurst thanked Mike for his report and asked what was being done to ensure that service desk helplines were open and available to Members to ensure they were put through to the right person to help them. Mike Weston responded that there was a lot of self help available and communications were going out to encourage people to use the self help where possible. Service Desk was under a lot of strain at the moment and was currently logging calls and then passing them on to the appropriate person to help. Service Desk capacity had been increased, but it was a difficult balance.
- 5.7 Councillor Simon Clement-Jones said that due to the pandemic, there had been a lot of reacting over the last 9 months. How much of it had been planned work and was the department confident in the roll out of IT that had taken place and how future proof was it. Mike Weston responded that prior to the pandemic, Members had agreed to invest in IT. The Tech 2020 project had been established and the pandemic had hastened the roll out. 7000 laptops had been issued and cloud solutions were in place, the Council was moving towards collaborative technology.
- 5.8 Councillor Mohammed Mahroof said a lot had been achieved in a short time and asked if there were any teething problems. Mike Weston noted that there had been teething problems and steps had been taken to rectify them. Remote access to systems had been changed and support was continuing to help people access systems. There were still some problems with remote access that were being investigated by Microsoft.
- 5.9 Councillor Dianne Hurst said that it was inevitable that there would be teething problems, but it seemed to be getting easier. She asked whether there had been any Health and Safety considerations. Members had been offered an equipment upgrade and had there been any analysis of staff and supplying the necessary equipment for keeping them safe. Staff were spending long hours using IT and Zoom. Eugene Walker (Executive Director – Resources) explained that officers

had been asked to carry out Health and Safety risk assessments of their home working area. Equipment such as chairs, keyboards and mice had been delivered to those staff members who required them. For those who struggled with home working, a bookable space had been made available in Moorfoot, but it was currently unavailable for the duration of the current lockdown.

- 5.10 Councillor Angela Argenzio said that she worried about staff having difficulties working from home and the effect it could have on those who struggled to cope. What support was available for staff?

The Chair explained that the Head of Member Services had informed her that all support available to staff was available to Members and would be forwarded to them.

- 5.11 The Chair asked how the transition to home working had gone. Dave Phillips (Head of Strategic Finance) explained that a huge amount of work had gone in to enabling staff to work from home. Technology had vastly improved since November. Gillian Duckworth (Director of Legal and Governance) explained that the difference between the first lockdown and lockdown 3 was incredible.

- 5.12 Councillor Adam Hurst said that the Council needed to be mindful that people's circumstances could change and working from home could become difficult. However, it was much easier to arrange meetings and increased working time.

- 5.13 Councillor Mohammed Mahroof felt that a key concern with staff working from home was security of equipment and information. Mike Weston confirmed that systems had been put in place and data was encrypted. The biggest risk to information security was people, but it was usually accidental. All breaches were reported to the Information Commissioners Office.

- 5.13 **RESOLVED:** That (1) the successful insourcing of the ICT service from Capita and the migration of the vast majority of Council ICT systems to their new locations be noted, and for a final update report to be provided to the Audit and Standards Committee by June 2021 by the Revenues and Benefits Migration Project Lead Officer.

(2) A note of concern from the Audit and Standards Committee be sent to HR to ensure that staff are given full support in both mental health and equipment.

## **6. UPDATE ON FRAUD PREVENTION ACTIVITIES IN A COVID-19 ENVIRONMENT.**

- 6.1 Stephen Bower (Finance Manager) attended the meeting and presented the report.

- 6.2 The report was requested by the Audit and Standards Committee to provide an update on the position of audit work to deal with potentially fraudulent activity during the current Covid-19 crisis.

- 6.3 The audit plan for 2020/21 has been under constant review. As the risks have changed within individual audit reviews, so have the risks that the Council has

examined. Following discussions with management some audits have been added to the plan to replace reviews which due to changes in activity could not take place this year. These new reviews have mainly focused upon areas which were affected by Covid-19. The reviews added included Absence recording, Decision Making, Costs of Covid-19, Use of Credit Cards/Payment Cards, Rough Sleepers, Infection Control, Payments to Providers, Free Early Learning, PPE and Staff Expenses for Covid-19.

- 6.4 It was explained that Payment Cards were used by departments such as Children's Homes, Repairs and Maintenance and Senior Officers for emergencies. The cards were locked down and not able to be used for cash and were well monitored and controlled.
- 6.5 During the first lockdown, the Small Business Grant Fund (SBGF) and the Retail, Hospitality, and Leisure Grant Fund (RHLGF) formed part of the financial support package provided by Central Government which were administered by the Council. The scheme asked that the Council prioritise speed over in-depth checks and the Commercial and Business Development team established and administered the schemes which saw over 9,000 applications accepted and over £98m paid out to eligible businesses. Shortly after the start of the schemes BEIS asked for a digital reporting tool be completed each month and Internal Audit undertook this role. In completing this Internal Audit have examined 174 applications valuing £2m. No evidence of systematic or organised crime fraud had been detected. 0.5% of claims were found to have been paid in error and work was underway to recover these monies. At the end of December, just over £300,000 remained outstanding.
- 6.6 The Fraud Team was very small and provided help and support to officers. The Fraud e-learning was now complete had been forwarded to HR for inclusion on the Development Hub. HR had now received the equipment necessary to convert the programme.
- 6.7 Councillor Simon Clement-Jones thanked officers for the report and asked who scrutinised business continuity. Gillian Duckworth undertook to find out.
- 6.8 The Chair thanked officers and noted it was good to know all checks and balances were being carried out.
- 6.9 **RESOLVED:** That the report be noted.

## **7. ANNUAL STANDARDS REPORT**

- 7.1 Gillian Duckworth (Director of Legal and Governance and Monitoring Officer) presented the report.
- 7.2 The report gave information on the volume of complaints made against councillors during 2019 and 2020. It also set out the role of the Monitoring Officer and the Independent Persons and it was noted that the LGA had now published its Model Code of Conduct and this would be compared against the newly approved Code

of Conduct and brought back to the next committee.

- 7.3 Councillor Angela Argenzio noted that it was good to see the comparison in the number of complaints received against councillors and asked if it was possible to get a breakdown of internal/external complaints and a breakdown by party. Gillian informed the Committee that the information provided was the same as in previous years, but further analysis could be provided in future years providing that the numbers were not so small the identity of the subject would be revealed. Only one complaint had been made by another Councillor. The Monitoring Officer tried to resolve councillor complaints against other councillors. The majority of complaints against councillors were made by members of the public. Of the complaints received this year, 17 were against Sheffield City Councillors and 21 were against Parish Councillors. There were multiple complaints about the same issue.
- 7.4 Councillor Simon Clement-Jones said that there had been a 50% jump in the number of complaints received and asked what was behind the trend. Gillian Duckworth explained that there had been multiple complaints regarding the same incident and the numbers did not reflect the true picture.
- 7.5 The Chair asked the Independent Persons present what their experience was like working with the Council on councillor complaints. David Waxman (Independent Person) informed Committee that it wasn't an onerous task. The volume of complaints wasn't high. The Government Framework needed revising and advised that Members should be more circumspect in their use of social media. Jo Cairns (Independent Person) explained that the information received from officers to consider complaints was second to none. Alison Howard (Independent Co-Opted Member) was pleasantly surprised at the small number of complaints which was a testament to how complaints were handled by the Monitoring Officer.
- 7.6 The Chair felt that more training and development was required for Members. The volume of work had increased and there were now more channels of communication.
- 7.7 Councillor Adam Hurst asked whether the Council was recording informal complaints and how they were dealt with. Gillian Duckworth explained that the report showed all complaints received. An informal resolution could be training or referral to the Whips, for example.
- 7.8 **RESOLVED:** That (1) the Committee receives and notes this report acknowledging the work of the Audit and Standards Committee in 2019 and 2020; and  
(2) agrees the actions set out in paragraph 11 of the report for the Monitoring Officer to report back progress to a future committee.

## 8. WORK PROGRAMME

- 8.1 Abby Brownsword, Principal Committee Secretary, presented the report.

- 8.2 As the Annual Audit Letter and Universal Credit Update would not be ready for the next meeting, it was proposed that the Committee utilise the March committee date.
- 8.3 The Chair informed Committee that she had invited the new CEO to attend the February Committee and requested an update on the progress of the 2020 Annual Audit and the issues around Audit nationally.
- 8.4 **RESOLVED:** That (1) the work programme be noted; and  
(2) changes to the work programme be made as detailed above.

## **9. STRATEGIC RISK MANAGEMENT**

- 9.1 Helen Molteno, Finance Manager, attended the meeting and presented the report.
- 9.2 The presentation provided an assessment of the Council's current Risk Management arrangements and the measures implemented to further strengthen and improve them and the current and emerging risks, their impact on service delivery and the controls in place to manage them.
- 9.3 The report and presentation covered the period from July to September 2020. The Finance Manager, Assistant Director of Finance and the Director of Legal and Governance responded to questions from Members of the Committee in relation to the impact of Covid-19 on the closure of leisure facilities and the arts, closures of schools and academies and regeneration schemes.
- 9.4 **RESOLVED:** That; (1) the current assessment of the Council's risk management arrangements be noted and the measures taken to strengthen those arrangements be endorsed and;  
(2) the current and emerging risks be noted and the actions being taken to mitigate those risks be endorsed.

## **10. DATES OF FUTURE MEETINGS**

- 10.1 Future meetings of the Audit and Standards Committee would be held on:  
  
Thursday 18<sup>th</sup> February 2021  
Thursday 18<sup>th</sup> March 2021  
Thursday 15<sup>th</sup> April 2021  
Thursday 10<sup>th</sup> June 2021  
Thursday 29<sup>th</sup> July 2021