

BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK**AUDIT COMMITTEE**

Minutes from the Meeting of the Audit Committee held on Wednesday, 11th March, 2020 at 5.00 pm in the Council Chamber, Town Hall, Saturday Market Place, King's Lynn PE30 5DQ

PRESENT: Councillor Mrs A Dickinson (Chair)
Councillors Mrs J Collingham, J Collop, B Jones, A Kemp, C Manning and
A Ryves

Portfolio Holder:
Councillor B Long, Leader

Officers:
Michelle Drewery, Assistant Director – Resources (S151 Officer)
Honor Howell, Assistant to the Chief Executive
Ged Greaves, Senior Policy and Performance Officer
Jo Stanton, Revenues and Benefits Manager

A51 **APOLOGIES**

An apology for absence was received from Councillor Mrs V Spikings.

A52 **MINUTES**

The minutes from the Audit Committee meeting held on 28 October 2019 were agreed as a correct record and signed by the Chair.

The minutes from the Audit Committee meeting held 10 February 2020 were agreed as a correct record and signed by the Chair, subject to the following amendments:

- Page 16: second paragraph: the scheduled date for repayment in full was **5 May 2024**.
- The Leader advised that the £250,000 loan was a Cabinet decision.
- A number of Members on the Audit Committee were experiencing IT difficulties in accessing a variety of items on the council's systems.

A53 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

A54 **URGENT BUSINESS UNDER STANDING ORDER 7**

There was no urgent business.

A55 **MEMBERS PRESENT PURSUANT TO STANDING ORDER 34**

There were no Members present under Standing Order 34.

A56 **CHAIR'S CORRESPONDENCE (IF ANY)**

There was no Chair's correspondence.

A57 **EXCLUSION OF PRESS AND PUBLIC**

RESOLVED: That under Section 100(A)(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act.

A58 **EXEMPT REPORT: RISK BASED VERIFICATION POLICY FOR HOUSING BENEFIT AND COUNCIL TAX SUPPORT**

The Revenues and Benefits Manager presented the report and explained that the council introduced Risk Based Verification (RBV) to assess the risk of fraud and error in new claims for Housing Benefit and Council Tax Support from April 2015. In February 2016 RBV was extended to include changes of circumstance. The report provided an update for the Committee on RBV activity over the past year, and made updates to the RBV policy.

The Revenues and Benefits Manager responded to questions and comments from the Committee.

RESOLVED: Members noted and agreed the RBV policy and the RBV procedure updates in the report.

RETURN TO OPEN SESSION

A59 **BUSINESS CONTINUITY UPDATE**

The Senior Policy and Performance Officer presented the report which outlined the current position of the council's business continuity arrangements, summarised progress made since the last update in November 2018 and described work that was planned to be undertaken over the coming months.

The key issues were outlined as set out in the report.

The Committee's attention was drawn to sections 2 and 3 of the report.

The Senior Policy and Performance Officer provided an update on the Coronavirus and advised that the Borough Council had set up an officer Business Continuity Incident Team and Members would be updated on a weekly basis and more frequently if required.

The Senior Policy and Performance Officer responded to questions relating to the Coronavirus, a summary of which is set out below:

- Potential for staff to work from home and number of citrix licences available.
- Relocation of staff in the event of King's Court not being available.
- Importance of maintaining essential every day council services, for example, payment of benefits.
- Threat cards.
- Compliance with Central Government directives.
- Self-isolation and impact upon workforce and service delivery.

The Chair thanked the Senior Policy and Performance Officer for the annual update report.

RESOLVED: The Audit Committee:

- 1) Reviewed progress made and endorsed the approach being taken to the council's business continuity arrangements.
- 2) Confirmed annual updates on the topic were required.

A60

CORPORATE RISK REGISTER MONITORING REPORT

The Senior Policy and Performance Officer presented the report which set out the changes to the Corporate Risk Register since the last monitoring report on 3 June 2019. It gave details of the risks falling into the 'Very High' category and the associated work being progressed to mitigate the effects.

The Committee was advised that following the review, the risk scores for 2 entries had been reduced. It was also proposed that 1 risk was added to the register and 4 risks were refocused.

Members' attention was drawn to section 2 of the report – Changes to the Corporate Risk Register.

In response to questions regarding the stabilisation payments to the Norfolk Pension Fund, the Assistant Director – Resources (S151

Officer) explained that the impact of stabilisation payments smoothed the Council's contribution profile and together with one off upfront payments reduced the impact of the risk over the 3 year valuation period. It was highlighted that the Council reviewed the figures on a 3 year basis and contributions adjusted where necessary.

In response to questions from Councillor Kemp on longevity and a reduction in staff, the Assistant Director – Resources (S151 Officer) explained that the actuarial valuation was based on projections in the local area; that calculations were aligned with the Borough Council data profile and outlined the other factors that were considered during the valuation.

The Leader provided feedback from a recent meeting he had attended in relation to the Norfolk Pension Fund and explained that the latest revision had been positive and less risk had been involved.

The Chair asked if the Borough Council paid a different Employer rate than other Norfolk local authorities. In response, the Assistant Director – Resources (S151 Officer) explained that the calculations were based on the demographics of staff within the Council, but highlighted that there would be similarities.

The Leader added that the Borough Council made a payment for a 3 year period in order to save interest.

In response to questions regarding digital access, the Leader explained that the Borough Council also provided paper copies, offered telephone advice, appointments at Council offices and a visiting officer for those residents who were not able to access services on the website, details of which he had included in his recent report to Council.

Councillor Jones referred to page 11 – Cyber security attack and commented that in his view this should be higher on the Risk Register and the score – green - was incorrect. The Senior Policy and Performance Officer undertook to feed the information back to the relevant officer.

In response to further questions from Councillor Jones on legacy systems not being able to be upgraded, the Assistant Director – Resources (S151 Officer) explained that Microsoft had offered an extension to support systems. The Leader added Councillor Jones had raised a valid point in relation to the risk rating score. The Senior Policy and Performance Officer suggested that ICT be invited to attend a future meeting to advise of mitigation measures.

The Chair reported that members of the Audit Committee were not able to access internal audit reports on Insite. Officers advised that each Member contact IT to arrange to bring in their iPad to resolve any issues being experienced.

In response to a question on business rates risk relating to the reference to contingency within the council's accounts. The Assistant Director – Resources commented that she believed an appeal had been lodged nationally regarding the National Health Trust, but undertook to check the details. The Chair asked if this issue could be included in the Statement of Accounts training on 20 April 2020.

In response to questions regarding the King's Lynn Innovation Centre (KLIC), the Senior Policy and Performance Officer advised that a number of risks relating to KLIC had been entered in the Risk Register.

RESOLVED: The Committee considered the contents of the Corporate Risk register and confirmed agreement with Management Team's assessment of the risks to the corporate objectives.

A61 **MAJOR PROJECTS BOARD - UPDATE FROM THE CHAIR**

The Committee received a verbal update report from the Chair.

It was noted that as far as she was aware, the Officer Major Projects Board continues to meet on a monthly basis.

The Chair outlined the reason for the cancellation of the Member Major Projects Board scheduled for 31 January 2020, which was not to be re-scheduled. The next meeting of the Member Major Projects Board was scheduled for 29 April 2020, 6 months after the previous meeting.

A62 **CABINET FORWARD DECISIONS LIST**

The Committee noted the Forward Decisions List.

A63 **COMMITTEE WORK PROGRAMME**

The Chair advised that the Committee Work Programme had been revised and that the Statement of Accounts would be considered on 20 April 2020.

The Chair provided feedback from a recent Ernst and Young Seminar which she had attended.

The Committee was invited to forward items for training and the future work programme.

A64 **DATE OF NEXT MEETING**

The next meeting of the Audit Committee will take place on 30 March 2020 immediately following the risk management training session at 5 pm in the Council Chamber, Town Hall, Saturday Market Place, King's Lynn.

The meeting closed at 7.07 pm