

AUDIT PANEL

23 October 2018

Commenced: 2.00 pm

Terminated: 2.35 pm

Present: Councillors Ricci (Chair), Homer (Deputy Chair), Fairfoull, J Fitzpatrick and Peet

In Attendance: Sandra Stewart Director of Governance and Pensions
Kathy Roe Director of Finance
Wendy Poole Head of Risk Management and Audit Services

Apologies for Absence: Councillors Bailey, Kitchen and Bell

11. DECLARATIONS OF INTEREST

There were no declarations of interest.

12. MINUTES

The Minutes of the proceedings of the meeting of the Audit Panel held on 29 May 2018 were agreed and signed as a correct record.

13. RISK MANAGEMENT

The Director of Finance submitted a report detailing the revised and updated Risk Management Policy and Strategy and the Corporate Risk Register, copies of which were appended to the report.

It was explained that risk management was facilitated by the Risk Management and Audit Service and risks were owned by members of the Senior Leadership Team, with support from Assistant Directors, managers and staff. The Risk Management Policy and Strategy had been reviewed and roles and responsibilities had been updated.

It was reported that the Corporate Risk Register had been updated in conjunction with the Senior Leadership Team to ensure that the risks were recorded against the correct Director following the recent management structure changes and that the register presented an up to date view of the corporate risks facing the Council. A risk relating to the phase 3 annex redevelopment of Ashton Old Baths Data centre had been added to the register alongside a risk relating to failure to comply with the Pension Regulator Code of Practice. The risk relating to the work on public service reform not delivering the expected savings and impact on the community had been removed from the register. In addition a number of risks had been updated / amended as follows:-

- The risk rating for the new college and joint public service centre in Ashton not being completed within time and budget had been reduced.
- The risk rating for the specification of the new shared services centre not being in line with future service delivery plans had been reduced.
- The risk rating for the property portfolio rationalisation necessary for the delivery of appropriate council wide services not being delivered and savings not being achieved had been increased.
- The risk rating relating to the illegal dumping of waste on public and private land within the borough had been increased.

- The Corporate Risk Register would continue to be presented to the Senior Leadership Team on a regular basis with updates provided to the Panel.

The Panel were informed that a detailed review of the risk management process would be undertaken over the coming months in order to compare the current process against best practice and practices across other local authorities and the Tameside and Glossop Clinical Commissioning Group.

It was confirmed that risks associated with STAR Procurement, the shared procurement service with Rochdale, Stockport and Trafford Councils, were included on the risk register.

RESOLVED:

- (i) **That the Risk Management Policy and Strategy be noted; and**
- (ii) **That the Corporate Risk Register be approved.**

14. PROGRESS REPORT ON RISK MANAGEMENT AND AUDIT ACTIVITIES APRIL TO SEPTEMBER 2018

The Head of Risk Management and Audit Services submitted a report detailing the work undertaken by the Risk Management and Audit Service between April to September 2018.

The key priorities for the Risk Management and Insurance team during 2018/19 were detailed as follows:-

- To review the risk management system to ensure that it complied with best practice including a review of the service area risk register.
- To ensure the Corporate Risk Register was updated on a quarterly basis and reported to the Senior Leadership Team and the Audit Panel.
- To facilitate the continued implementation of the Information Governance Framework, ensuring that the Council was compliant with the General Data Protection Regulations (GDPR) and the Data Protection Act 2018.
- To review the Business Continuity Management system in place to streamline the process to create a management tool that was workable, with the capability to provide knowledge and information should a major incident occur affecting service delivery.
- To review the insurance database used by the team to ensure it was fit for purpose and that the reporting function was efficient and effective.
- To continue to support managers to assess their risks as services were redesigned to ensure that changes to systems and procedures remained robust and resilient offering cost effective mitigation and that claims for compensation could be successfully repudiated and defended should litigation occur.
- To attend management team meetings quarterly to provide updates on insurance, information governance, risk management and business continuity.

It was reported that Information Governance work had been prioritised in the first half of the year in light of the introduction of the General Data Protection Regulations and the Data Protection Act 2018. Templates had been refreshed and piloted within Operation and Neighbourhoods and workshops would be offered to all managers for them to update their plans. Support in relation to insurance claims had been provided to service areas and schools.

With regard to Internal Audit, reference was made to the Audit Plan, which had been approved in May 2018 and covered the period April 2018 to March 2019. An update on progress against the plan to 30 September 2018 was provided. It was reported that 48% of the audit plan had been achieved so far, which was an increase on previous years. A detailed review of the audit plan was currently underway in conjunction with senior management and the original plan of 1,757 days

would be revised, taking into account any changes to available resources, and reported to a future meeting of the Panel

During the first half of the year, 16 final reports were issued in relation to systems and risk based audits. In addition, seven draft reports had been issued for management review and responses and these would be reported to the Panel in due course. Ten school audits were completed during the period, the results of which were summarised. In addition, four further audits had been completed and the draft reports had been issued to the Schools for management review and responses. 16 Post Audit Reviews had been completed during the period and a further 17 were in progress.

The Panel were notified that the review of Internal Audit against the Public Sector Internal Auditing Standards highlighted that the service was fully compliant with the requirements of the standard. The standards required a Quality Assurance and Improvement Programme to be in place and five service developments were listed in the report.

An update was given on the annual governance statement development areas as follows:-

- Carillion / Vision Tameside
- Children's Services
- Pension Fund Pooling of Investments
- Health and Safety
- Management of CCTV
- Creditors
- Estates Management
- ICT Disaster Recovery and Business Continuity Planning
- Information Governance

An update was also provided on work undertaken on National Anti-Fraud Network Data and Intelligence Services.

With regard to Irregularities / Counter Fraud Work a summary of cases, which had been investigated during the period April to September 2018, was provided. In total, 17 cases had been received with 12 still under investigation. A table detailing the fraud type, number of cases, value of the fraud, the amount recovered to date and potential annual savings was outlined.

RESOLVED:

That the report and performance of the Service Unit for the period April to September 2018 be noted.

15. URGENT ITEMS

There were no urgent items.