

Minutes of Audit and Risk Assurance Committee

**29 September 2022 at 5.30pm
In the Council Chamber at Sandwell Council House**

Present: Councillor Preece (Chair);
Councillors L Giles, Hinchliff, Khatun and Melia
Mr Ager (Independent Member).

Officers: Maria Price (Legal Services Service Manager); David Wilcock (Governance Review Consultant); Peter Farrow (Audit Services Manager); Narinder Phagura (Business Partner for Audit, Fraud, Risk and Insurance); Kate Ashley (Strategic Lead – Service Improvement); Elaine Newsome (Service Manager for Democracy); Helen Green (Commissioning Team Manager); Colin Marsh (Divisional Manager – Adult Social Care); Sean Russell (Customer Feedback Coordinator); Matt Powis (Senior Democratic Services Officer); Ant Lloyd (Democratic Services Officer).

43/22 **Apologies for Absence**

Apologies for absence were received from Councillors Anandou, Choudhary and Mr Hussain (Independent Member).

44/22 **Declarations of Interest**

There were no declarations of interest.



45/22 Minutes

Resolved

That, the minutes of the previous meeting held on 21 July 2022 be confirmed as a correct record.

46/22 Urgent Business

There was no urgent business for discussion.

47/22 Law and Governance Directorate Risk Register Risk

The Committee received an overview of the Law and Governance Directorate risk register.

A red risk was identified on the implementation of the Election Act 2022. The Act would introduce several new variables and requirements for the Council to implement for upcoming elections. Such changes included the planned introduction of photo identification requirements at polling stations as well as postal vote changes. However, due to the absence of national guidance, the implementation of the Act remained a risk for the Council. The Committee was reassured that once the guidance and legislation was clearer, the risk would be reduced significantly.

The implementation of the legislation may be required as soon as 2023 although, this was not guaranteed. It was noted that the Council would communicate with the electorate on the proposed changes, once finalised by the Government.

Members noted that the Midland Metropolitan Hospital was on target to open in early 2024.

Overall Members noted the positive direction of the highlighted risks and were satisfied that appropriate measures had been taken to combat any concerns highlighted by the register.



The Committee thanked officers for their attendance.

Resolved that the Law and Governance Risk Register update be noted.

48/22

Strategic Risk Register Update

The Audit Services Business Partner provided an update on the Council's Strategic Risk Register. The following key risks were highlighted and discussed:

- Risk 4 – Children's Social Care was downgraded from red to amber following the publication of the recent Ofsted report on Children's Services in Sandwell, which took place in May 2022. The report confirmed that the service had been re-evaluated from inadequate to requiring improvement to be good due to some areas of positive work. However, it was noted that further development was required to take place in order to improve practice and outcomes for vulnerable children and their families.
- Risks 27 and 27b – Medium Term Financial Plan and Budget Management 2022/23 were listed as a red risks due to the impact of the current and forecasted levels of inflation impacting the Council's financial performance.
- Risk 54- Special Educational Needs and Disabilities Transport risk had improved from red to amber, following the successful completion of the procurement for SEND transport. The residual risk reflects the budget pressure to ensure that any overspends were managed.
- Risk 56a – Towns Fund Programme phase 2 had been identified as a new risk which reflected the next delivery phase of the programme.
- Risk 63a – Establishment of a Local Authority Trading Company (LATC) to manage nine of the Council's Leisure Centres was identified as a new risk. It was noted that the LATC was due to take over responsibility of the Council's leisure facilities from Sandwell Leisure Trust when arrangements cease in May 2023.
- A new risk was added to the register respect of inflation and the impact -on the cost of living for residents and council services.



The Committee noted the update and raised concerns in respect of the current cost of living crisis. A Member sought clarification on whether the risk register would identify current concerns relating to the economy. In response it was confirmed that the risk register was collated in August 2022 and therefore would not reflect the most recent developments in respect of Government economic policy.

It was noted that a report on the Business Continuity Management incident relating to the Council's ICT system would be presented to the Committee in January 2023.

The Chair requested that the Committee receive a briefing note on the impact of UK inflation on Council finances.

Resolved that the Strategic Risk Register Update be noted.

49/22

Adult Social Care Directorate Risk Register Report

The Adult Social Care Directorate Risk Register was presented to the Committee.

The Committee were informed that a total of 13 risks were identified. to which 3 were green, 7 were amber and 3 were red.

Resilience in the Care Market, Adult Social Care Charging Reform and the Fair Cost of Care were all identified as red risks. It was noted that the Council had mitigation plans to reduce and ease these risks on the Council.

The Committee noted the update and thanked officers for their attendance.

Resolved that the Adult Social Care Directorate Risk Register Report be noted.



50/22

Improvement Plan Progress

The Service Improvement Strategic Lead presented an update on the Council's Improvement Plan. The Committee received a previous update on 28 June 2022.

An overview of the monitoring tool was discussed to provide context to the Improvement Plan. The tool allows adaptable and flexible programme management to help ensure aims and objectives were monitored closely. This tool could be used to identify issues as identified.

In total, 12 risks were identified against the improvement plan, 7 were rated amber, 3 were rated green and 2 were rated red. It was noted that the risks identified as red were due to resource implications. Furthermore, although financial resources had been obtained and approved, the risk remained red due to difficulties recruiting. It was confirmed that some key job vacancies had been successfully filled and further improvements were anticipated to be made prior to the next scheduled Committee update.

It was confirmed that the Cabinet, the Leadership Team and the Commissioners were consistently updated on the delays to the plan. Some delays were expected due to the changes in the schedule of meetings following the recent cancellations due to the passing of the Queen. In this respect, the Chair requested an update report on the overview of the progressed and implemented recommendations specifically relating to the improvement plan at the next scheduled meeting of the Committee.

Resolved that the improvement plan progress be noted.

51/22

Local Government and Social Care Ombudsman's Annual Report 2021/22

The Customer Feedback Coordinator presented the Local Government and Social Care Ombudsman's (LGO) Annual Report 2021/22. The report provides a summary of the settled complaints by the LGO in relation to the Council. It was noted that 58 complaints and enquiries were received by the LGO regarding the



Council in the year 2021/22. However, only 30 detailed investigations were carried out with only 20 cases upheld.

Statistics were provided detailing the total number of complaints upheld alongside compliance with Ombudsman recommendations and satisfactory remedies provided by the Council. In respect of complaint performance, the Council was on par with other equivalent unitary local authorities.

Members highlighted concerns regarding the poor performance by the Council in completing actions and recommendations on time. In a fifth of cases where recommendations were provided to remedy a complaint, the Council did not complete the required actions on time.

The Customer Feedback Coordinator confirmed that the Council was actively working with the Ombudsman to improve performance and response times. A tighter deadline of 10 days was to be put in place when obtaining information from service areas to help reduce waiting times for the Ombudsman. In addition, the Council's Learning and Development team was providing quality training to Council staff to reiterate the importance of adhering to Ombudsman requests.

The Committee noted the update and expressed their interest in seeing the improvements made in next year's report.

Resolved that the Local Government and Social Care Ombudsman's Annual Review be noted.

52/22

Audit and Risk Assurance Committee Annual Report

The Audit Services Manager presented the Audit and Risk Assurance Committee Annual Report.

It was highlighted that the report was a key component of the Council's governance, risk management and internal control framework. The report provided an overview of the Committee's work from the previous year and would be presented to the next scheduled meeting of Council by the Chair.



The Chair noted the concerns of the Committee about the finalisation of the 2020 to 2021 financial accounts.

Resolved that the Annual Report of the Audit and Risk Assurance Committee be approved and presented to the next meeting of the Council.

53/22 **Cabinet Forward Plan**

The Forward Plan was presented for information and to allow the Committee an opportunity to contribute to any items or raise any issues with the Executive.

53/22 **Work Programme**

The Committee noted the work programme for 2022/23.

Meeting ended at 6.26p.m

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