

MINUTES OF AUDIT AND STANDARDS COMMITTEE

Wednesday, 26 September 2018
(7:00 - 7:57 pm)

Present: Cllr Adegboyega Oluwole (Deputy Chair in the Chair), Cllr Dorothy Akwaboah, Cllr Simon Bremner, Cllr Princess Bright, Cllr John Dulwich, Cllr Kashif Haroon and Cllr Maureen Worby

Also Present: Cllr Maureen Worby

Apologies: Cllr Josie Channer and Cllr Muhammad Saleem

13. Declarations of Interest

There were no declarations of interest.

14. Minutes- To confirm as correct the minutes of the meetings held on 25 July 2018

The minutes of the meeting held on 25 July 2018 were confirmed as correct.

15. Adaptations Grant Scheme

A report on the Adaptations Grants Scheme (AGS) was introduced by the Cabinet Member for Social Care and Health Integration. The scheme involved the provision of grants of money to individuals with social care needs so that they arranged their own adaptations to their home and maintained their independent living. It had been running for some years, with declining uptake. The current scheme was widely underutilised with a current budget underspend of £0.378m as at 31 July 2018.

On the basis of both the control weaknesses identified by Internal Audit and the poor uptake of the scheme, the report outlined a decision undertaken by the Cabinet Member for Social Care and Health Integration to suspend the current Adaptations Grant Scheme with immediate effect. It was intended to fundamentally review and relaunch the scheme in for 2019/20.

The Cabinet Member for Health and Social Integration added that a report would be submitted to Cabinet in 2019 in respect of a revised Adaptations Grants Scheme which would be consulted on with service users and the scheme was designed for vulnerable people including people with disabilities. She accepted that the Internal Audit reflected various concerns and that some of checks were not as stringent as they could be in terms of the existing scheme that had been suspended. She noted the new personalisation agenda conflicted with the Internal Audit's view that those on the scheme were told where to shop. Whilst interim solutions to tackle the most prominent issues had been put in place a relaunched service would be able to fully look to accommodate the audit recommendations and focus on improving the take up of the service and promoting the principle of choice and control, upon which the scheme was based.

Members asked how this new scheme differed from the disability facilities grant scheme. The Operational Director Adults Care and Support stated that the adaptation grants were a direct cash payment to individuals. There were five applicants in the pipeline at present and at the present time £20K had been spent out of a total of £400K budget.

The Operational Director stated that the Council were totally committed to avoiding fraud and the misuse of Council funds in line with legislation and this legal clause will be e-mailed to Members.

The Independent Adviser (Audit) welcomed the report. However, he considered it helpful in future reports that in such cases that the Internal Audit recommendations were not accepted by the service, an explanation in the report was required and additionally the level of implementation and other actions proposed. He suggested that could include a grid to show individual recommendations and alternatives, action. The Cabinet Member and the Committee concurred with this proposal and agreed an additional recommendation to this item.(q.v)

The Committee:

- (i) Noted the work that has been undertaken already to strengthen controls in the operation of the scheme; and
- (ii) Noted the proposal to now suspend the scheme, review the poor uptake and fundamentally relaunch it for 2019/20.
- (iii) An action plan would be included in a future report to the Committee, at the time the new adaptations grant scheme was launched, together with any other actions proposed in the internal audit report.

16. Progress update on actions arising from the Internal Audit report for the IT Security Framework

The ICT Strategy Lead presented a report to the Committee, The Council historically had a disaster recovery contract for key IT infrastructure with a 3rd party organisation. He advised that a new Disaster Recovery Plan would be in place in January 2019 with a service based on the Council's ICT architecture. This new plan would be without Agyllis and address risk with a 24-hour period in order to get the Council's ICT back up and running. He stated that the existing disaster recovery arrangement did not deliver a meaningful level of protection to the Council with an Infrastructure As a Service (IAAS). As a result, the existing disaster recovery contract had ceased. He covered the following points in the report:

- In February 2018, Cabinet had approved a budget to deal with historic under investment in ICT within the Council. Part of this budget was specifically intended to implement and deliver a fit for purpose IT disaster recovery arrangement that meet's the Council's current and emerging needs and risks.
- In March 2018, an internal audit report around IT security gave limited

assurance with the main finding being the lack of an ICT Disaster recovery capability.

- In April 2018, a paper was presented to the Council's Assurance Group highlighting the key risks and a proposed approach to delivering a suitable ICT DR service.
- In June 2018 the Committee reviewed the findings of the security audit and requested an update on the work being carried out to meet the Council's IT Disaster Recovery need.

Members enquired about details of alterations to the scheme. The IT Strategy Lead advised that officers had looked at a wide range of options and suppliers and the one that would be in place was the best price and best fit for the Council.

The IT strategy lead advised that by 2020 the Council will in any case need to change its ICT provision and that the work for disaster recovery will offset an element of that re-provision that would otherwise result in additional cost. He added that in providing the new disaster recovery service, officers had identified areas of risk and for example Citrix would not be able to function from January 2019 and that a further phase of work would deal with this issue. In the event of a disaster, the IT service would be able to be fully recovered from the end of the implementation project scheduled for January 2019 but that further half yearly tests of recovering specific business areas over a two year period would improve assurance to a higher level. He added that as a result of possible currency fluctuation, Microsoft tended to re-price annually and there was the risk of cost escalation. He advised on three options in the report, namely: no action, normal disaster recovery contract, and creating additional resilience within Agyllis. All of these options had been rejected.

The Independent Adviser (Audit) welcomed the report and noted that the focus in the report had been on managing the Council's business risks rather than technical issues. He requested, which was agreed by Members, that future reports might show how risks are mitigated and he understood by the report that at the first stage, residual risk had been reduced but that further work was needed to reduce risk. The IT Strategy Lead advised that in terms of technical risk, testing was taking place in a planned way. The Council did not have a life and death critical system, that to 24-hour recovery matches the current agreed service level. He added that in answer to a question that the IT work was not sub-contracted and fitted in with the existing IT contracting arrangements.

17. Work Programme 2018/19

The Committee noted the work programme for the remaining meetings in 2018/19 and that the item shown on the "External Audit" for January 2019 was amended to show "the Council's own review of the 2017/18 closing of accounts processes and action plan for 2018/19."

The Independent Adviser (Audit) and the Committee noted that a review of the Committee's terms of reference was being undertaken in January 2019, however requested that notification to the Chair was provided in sufficient time before the next meeting which showed in the current arrangements for the Committee in

terms of performance and other areas that it cannot or could do). The noted that in terms of performance, this was not a usual Audit Committee responsibility. Officers would liaise with the Monitoring Officer and the Chief Operating Officer upon her return from leave in this matter.