



## Minutes of a meeting of Audit and Governance Committee held on Tuesday, 23 July 2024

### Members present:

|                       |                  |
|-----------------------|------------------|
| Nigel Robbins – Chair | Patrick Coleman  |
| Helene Mansilla       | Len Wilkins      |
| Jeremy Theyer         | Christopher Bass |

### Officers present:

|   |  |
|---|--|
| Robert Weaver, Chief Executive                                  | Angela Claridge, Director of Governance and Development (Monitoring Officer) |
| David Stanley, Deputy Chief Executive and Chief Finance Officer | Lucy Cater, Assistant Director (SWAP)  |
| Michelle Burge, Chief Accountant                                | Ana Prelici, Governance Officer  |

### **274** Apologies

Apologies were received from Councillors Michael Vann and Chris Twells, and John Chessire, an independent member of the Audit and Governance Committee.

The Chair welcomed Adam Marshall from Bishop Fleming.

### **275** Substitute Members

Councillor Ian Watson was a substitute for Councillor Vann

### **276** Declarations of Interest

There were no declarations of interest.

### **277** Minutes

The Minutes from the meeting held on 25 April were discussed.

It was stated that on 272 “counter-fraud” should not be hyphenated, reading “counter fraud”.

RESOLVED: That the Audit and Governance Committee APPROVE the minutes of the meeting held on 25 April.

### Voting record

For 2, Against, 0, Abstentions 3, Absent/Did not vote 3

There were no public questions.

**279** Member Questions

There were no member questions.

**280** External Audit Plan 2023/24

Adam Marshall from Bishop Fleming introduced the item, the purpose of the item was for the Audit and Governance Committee to receive the 2023/24 Audit Plan from Bishop Fleming, the Council's external auditors.

Councillor Len Wilkins arrived at 16:09, and apologised to the Chair for his late arrival to the meeting.

The external auditor responded to members' questions as follows;

- Bishop Fleming were new to the sector, but had recruited people who were familiar with Local Government to aid their expansion. Adam Marshall, the senior Audit Manager had experience in the public sector in Wales, and Alex Walling, the Public Sector Audit Director had extensive experience with Local Authorities.
- Audit Fees were set by Public Sector Audit Appointments Limited (PSSA, so the Council had little impact on it.
- The latest set of accounts for 2023/24 were due to be approved in October 2024, and Bishop Fleming were on track to achieve this.
- The Deputy Chief Executive would be in communication with Bishop Fleming to ensure that members had sufficient time to review the reports.

RESOLVED: That the Audit and Governance Committee NOTED the report.

**281** Draft Annual Governance Statement

The purpose of the report was to present the Audit and Governance Committee with a draft Annual Governance Action plan for 2024/25.

The Deputy Chief Executive introduced the item, explaining that the action plan had been prepared on the basis of the work undertaken to review compliance with key principles.

In discussing the report, Members raised the following points:

- Members welcomed the work to improve the Freedom of Information processes as part of the recommendations from the Internal Audit Team.
- Members asked how governance risks associated with the Publica Review would be captured. The Chief Executive explained that the Council would be inheriting the risks, and that there would be work undertaken with the internal audit team in order to ensure these were mitigated. In terms of financial reporting, the Deputy Chief Executive was working with the Interim Managing Director of Publica to ensure that reporting structures were in place ahead of the transition.

RESOLVED: That the Audit and Governance Committee APPROVED the Annual Governance Statement.

### **Voting record**

For 5, Against 0, Abstain 0, Absent/Did not vote 2

### **282 Internal Audit Annual Opinion**

The purpose of the report was to present a summary of the work undertaken by Internal Audit during 2023/24 and to give an overall opinion on levels of assurance resulting from this work.

The Assistant Director for SWAP introduced the item Director explaining that the overall score had not changed from the previous year, remaining 'low reasonable' due to risks found around property and estates, Taxi Licensing safeguarding and Climate Change.

Members discussed the report, raising the following points,

- There were concerns raised in the report over record keeping for licensing taxis, this was important to get right due to the Council's safeguarding obligations. The Assistant Director for SWAP stated that follow up work would be undertaken with the service area.
- It was important to understand why planning applications were returned or withdrawn. The Chief Executive stated that this information could be provided but that a more useful metric for the Committee may be the timescales involved with validating applications.
- A new Climate Change & Carbon Reduction Lead had been appointed since the audit in the report had been undertaken and work was being done to address the issues raised by the audit.

The SWAP Assistant Director in summary stated more information would be provided on the following;

- The applications that were tested as part of the Taxi Licensing Audit.
- The statistics on response rates to Freedom of Information Requests.
- The reasons why 56 planning application were applications withdrawn or returned applications.
- Further information on the instances when Purchase Orders weren't utilised by service areas.

RESOLVED: That the Audit and Governance Committee NOTED the report

### **283 Treasury Management Outturn**

The purpose of the item was to receive and discuss details of the Council's Treasury management performance for the period 01 April 2023 to 31 March 2024.

The Deputy Chief Executive (Chief Finance Officer) introduced the report. The report set out the summary position, which was that the Council invested its cash balances with a net surplus of £0.967m against the original budget set in February 2023 of £0.719m.

Members discussed the report, raising various questions which officers provided responses to;

- The cash plus fund was rolled into investments for the following year.
- The Council was taking ongoing advice as to investment risk from Arlingclose as part of their regular financial reporting.

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- The difference between the actual and balance on page 68 should read 0.023 instead of 0.03, this would be updated by the officers.

RESOLVED: That the Audit and Governance Committee NOTED the report.

#### **284 Draft Statement of Accounts**

The purpose of the item was to consider the draft (summary) Statement of Accounts for the year ended 31 March 2024.

The Statement of Accounts for 2023/24 showed the financial position of the Council as of 31 March 2024 as well as the performance during the year. Under the Council's Constitution, the Audit and Governance Committee was charged with the responsibility of the approval of the accounts.

The Chief Accountant introduced the report. They apologised for the lateness of the papers and stated that due to this, only a summary was provided. Training would be provided to Members in September on the Statement of Accounts.

Members discussed the report presented, raising the following points:

- The report should read 'two independent councillors' on page 14.
- The pensions liability and asset situation led to actuaries re-evaluating assets. The external auditor explained that they were likely to recommend that the councils seeks comparative information from actuaries. Members suggested that a narrative on this be included within the final Statement of Accounts.

RESOLVED: To NOTE the report

#### **285 Annual Standards Update**

The Director of Governance and Development introduced the report, which was originally due to be presented to the Committee in September as an annual update. Due to the item being deferred, the update provided information for two years. The Director of Governance and Development explained that the report also asked the Committee to approve changes to the Arrangements for Dealing with Code of Conduct Complaints and a procedure for the Standards Hearing Sub-Committee.

Members discussed the report, and the following points were raised:

- The Director of Governance and Development advised that due to confidentiality, the Committee should refrain from discussing individual cases in detail.
- In response to a query about confidentiality, it was noted that complainants could remain anonymous in exceptional circumstances, such as being afraid of physical harm. However, in the interest of natural justice these instances were rare. Members welcomed the updated arrangements for dealing with standards complaints, which included more robust wording around complaints being made in writing. Members noted the need for training around standards hearings was recognised, but the Director of Governance and Development stated that it would be best to deliver this immediately prior to a hearing for the ease of those serving on the Sub-Committee.

RESOLVED: That the Audit and Governance Committee:

- I. NOTED the update for the financial years 2022 – 2023 and 2023 - 2024

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2. AGREED TO RECOMMEND TO FULL COUNCIL to approve the updated arrangements for dealing with code of conduct complaints;
3. AGREED TO RECOMMEND TO FULL COUNCIL to approve the procedure for the Standards Hearing Sub-Committee and to delegate authority to the Director of Governance & Development to make minor amendments to the procedure.

**Voting Record**

For 5, Against 0, Absent/Did not vote 2

**286 Work Plan**

The purpose of this item was for the Committee to review the Work Plan for 2024/25.

The Deputy Chief Executive explained that the Statement of Accounts would be included in November's agenda, but that they hoped to have it to the Committee for October instead.

RESOLVED: That the Audit and Governance Committee NOTED the work plan

The Meeting commenced at 2.00 pm and closed at 4.21 pm

Chair

(END)