



Minutes of a meeting of Audit and Governance Committee held on Thursday, 24 October 2024

Members present:

Nigel Robbins – Chair	Angus Jenkinson	
Helene Mansilla	Chris Twells	Len Wilkins
Jeremy Theyer	Michael Vann	Christopher Bass – Independent Member

Officers present:

David Stanley, Deputy Chief Executive and Chief Finance Officer	Lucy Cater, Assistant Director (SWAP)
Michelle Burge, Chief Accountant	Emma Cathcart, Head of Service, Counter Fraud and Enforcement Unit
Angela Claridge, Director of Governance and Development (Monitoring Officer)	Andrew Brown, Head of Democratic and Electoral Services
	Ana Prelici, Governance Officer

Cabinet Members:

Councillor Mike McKeown, Cabinet Member for Climate Change and Sustainability

287 Apologies

Apologies were received from Councillor Patrick Coleman and John Chessire, an independent member of the Committee.

288 Substitute Members

Councillor Angus Jenkinson substituted for Councillor Patrick Coleman.

289 Declarations of Interest

There were no declarations of interest.

290 Minutes

There were no amendments to the minutes.

RESOLVED: To APPROVE the minutes of the meeting held on 23 July 2024.

291 Public Questions

There were no public questions.

292 Member Questions

There were no public questions.

293 Internal Audit Progress Report

The purpose of the item was to present a summary of the audit work concluded since the last meeting of the Committee.

The SWAP Assistant Director introduced the Internal Audit Progress Report. They explained that there were two reports within this; the appointment of consultants, which was given a medium reasonable assurance to and the account payable quarterly, which was given a high reasonable assurance.

The Committee discussed the report, raising the following points;

- Members asked why the auditors had found that there was insufficient compliance with the local government transparency code. The SWAP Assistant Director stated that consultants were not being included in the Council's contract register although they were otherwise known about.
- Auditors had given the medium assurance rating for the consultants in light of the mitigation described in the report.
- Members raised that 72% of transactions were not supported by purchase orders (a PO). The Deputy Chief Executive stated that the practice of raising purchase orders was encouraged. A 'No purchase order, no payment' process was supported but would require a 12 to 18 months lead time. The benefits of a 'No PO, no payment process' included eliminating duplicate payments. The Deputy Chief Executive agreed to begin scoping out this work.
- Members asked what informed the Internal Audit work plan. The SWAP Assistant Director stated that they consulted with officers, the corporate risk register and other bodies, but that the plan was specific to Cotswold District Council.
- Members asked whether IR35 compliance was audited amongst the Council's consultants. The SWAP director stated that they would verify this and respond to the Committee in writing.

RESOLVED: To NOTE the report

294 Counter Fraud and Enforcement Unit Update Report

The purpose of the item was to provide the Committee with assurance over the counter fraud activities of the Council.

The Head of Service for the Counter Fraud and Enforcement Unit (CFEU) introduced the item. They explained that the work plan for 2024/25 included a focus on fraud risk mitigation regarding grant schemes and polygamous working as high-risk areas. This work would include both prevention and detection activities. They also highlighted that;

- The CFEU website was finished, and a link to this would be sent to members.
- The CFEU Head of Service was part of the Multi-Agency Approach to Fraud group and worked collaboratively across this.
- The Business Grant schemes were still being worked on and were now in the debt reconciliation phase.
- There was ongoing work on the National Fraud Initiative as well as housing waiting list fraud
- Staff training would be delivered to those who worked in Environmental and Regulatory Service (ERS) in the autumn and that procurement fraud training would also be delivered.
- The small business rates relief review had been completed.

Members discussed the report, raising the following points:

- The CFEU legal agreement was under review, after agreement by the other partners, as the employing council, Cotswold District Council would be asked to agree.
- Members asked how value for money was measured. The CFEU Head of Service explained that the cost was reported each year and stated that the assurance over performance were measured within the report. Metrics could be difficult to apply due to varied caseloads. The Deputy Chief Executive stated that the Counter Fraud and Enforcement Unit were also able to add value through supporting other service areas.

Members thanked the Counter Fraud and Enforcement Unit for their work.

RESOLVED: To NOTE the report.

295 Ombudsman Report 2023/24

The purpose of the report was to present the Annual Complaints statistics as provided by the Local Government and Social Care Ombudsman for the year 1 April 2023 – 31 March 2024.

The Director of Governance and Development introduced the item. They explained that the report presented the yearly letter received by the Local Government Ombudsman. The letter provided a summary of the ten complaints received by the Ombudsman, of which one was upheld. The Director of Governance and Development explained that the Council followed a three-stage internal complaint handling process, but that if a complaint was handled in a way that the complainant was dissatisfied with, the

complainant could complain to the Ombudsman. Some complaints were made directly to the Ombudsman and were referred to as 'premature' in the letter. The Ombudsman had asked all Councils to review their complaint handling code, and this would be presented to the Committee at its next meeting.

Members discussed the report and raised the following points;

- Members asked how the £100 maladministration fee had been calculated, the Director of Governance and Development explained that this was a symbolic figure.
- The Director of Governance and Development stated that all complaints were reviewed in order to learn any lessons.
- As the numbers were not presented in a table year to year, it was difficult to keep track of trends year on year.

RESOLVED: To NOTE the report

296 QI Prudential Indicators (Treasury Management)

The purpose of the item was to report to the Audit and Governance Committee the quarter one Treasury Management Indicators as required by the CIPFA Treasury Management Code.

The Deputy Chief Executive introduced the report. They explained that the Audit and Governance Committee had responsibility for reviewing and monitoring treasury management arrangements in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Code. The Deputy Chief Executive explained that the Council had complied with the investment limits set by the code.

Members discussed the report, raising the following points:

- The CFR loans were due to increase in 2024 and 2027, Members asked why this was. The Deputy Chief Executive explained that this was due to greening the waste vehicle fleet.
- The Committee would be reviewing the Budget and MTFS report at its meeting in November.

RESOLVED: To NOTE the report

297 Climate Change

The purpose of the report was to provide an update on actions following the Audit Position Statement on Climate Change in 2023.

The Chair introduced the item, explaining that the item was referred to the Committee after an internal audit reported an internal staff survey on climate change which had a low response rate.

The Interim Executive Director and the Cabinet Member for Climate Change and Sustainability provided an overview of work around Climate Change;

- A sustainability tool kit had been developed to manage climate risks within projects and was being trialled by the corporate project management team.
- The Council had recently compiled information in support of the 'Climate Scorecard' national assessment which was conducted annually by Climate Emergency UK, and information about this was available on the Council's website.
- To support staff Publica was rolling out Carbon Literacy Training. Since March 2021, 249 members of staff had attended Carbon Literacy training and 140 were certified as Carbon Literate including 75% of managers.

Members discussed the report, raising the following points:

- Members asked how the areas of focus for achieving net zero were identified. The Interim Executive Director explained that the areas of the biggest impact were identified, such as waste and leisure and that an action plan was being developed. The Cabinet Member said that as well as focusing on the Council's own emissions, they were working on encouraging businesses and residents to reduce theirs. The top three sources of carbon emissions within the district were transport, buildings and agriculture.
- The sustainability tool could be used for any project but was currently in the trial phase.
- Training was not mandatory but all members of staff were being encouraged to take it up.

The Cabinet Member thanked officers for their work.

RESOLVED: To NOTE the report

298 Work Plan

The Deputy Chief Executive explained that the Auditors would not have the Statement of accounts and audit opinion ready for November's meeting, but that an update report would be provided at that meeting.

It was expected that the Audit opinion would be ready for the February meeting of the Committee.

RESOLVED: To NOTE the work plan

Audit and Governance Committee
24/October2024

The Meeting commenced at 4.00 pm and closed at 5.30 pm

Chair

(END)