



Minutes of a meeting of Audit and Governance Committee held on Thursday, 25 April 2024

Councillors present:

Nigel Robbins – Chair
Helene Mansilla
Jeremy Theyer

Chris Twells
Len Wilkins

Michael Vann

Co-opted Members present:

John Chesshire
Christopher Bass

Officers present:

Ana Prelici, Democratic Services Officer
Pete Barber, Grant Thornton LLP
Michelle Burge, Chief Accountant
Angela Claridge, Director of Governance and
Development (Monitoring Officer)

Roz Apperley
Lucy Cater, Assistant Director (SWAP)
Emma Cathcart, Head of Service, Counter
Fraud and Enforcement Unit
Claire Locke, Interim Executive Director

Cabinet Members

Councillor Mike Evemy, Deputy Leader and Cabinet Member for Finance

262 Apologies

Apologies were received from Councillor Patrick Coleman

263 Substitute Members

There were no substitute members

264 Declarations of Interest

There were no declarations of interest

265 Minutes

John Chesshire had been omitted from the minutes and needed to be added.

The Chair had further typographical amendments he wished to discuss with the Democratic Services Business Manager.

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RESOLVED: That the Audit and Governance Committee approve the minutes of the meeting held on 15 April, subject to agreed amendments being made.

Voting Record

For 4, Against, 0, Abstentions 0, Absent/Did not vote 3

266 Public Questions

There were no public questions.

267 Member Questions

There were no member questions.

268 Statement of Accounts and Audit Opinion

The Chair explained that the Audit Opinion had been received late and considered deferring the item. However, the Deputy Chief Executive advised that further delays would present a risk in terms of signing off the accounts for the 2022/23 financial year. The Deputy Chief Executive stated that the papers had been considered by themselves and the Chief Accountant in detail before coming to the Committee.

On the advice of the Deputy Chief Executive, the Chair agreed to consider the item, but stated that it was regrettable that the Committee had not had sufficient time to consider the report.

Pete Barber, Director, and Roz Apperley, Audit Manager, from Grant Thornton introduced the report.

The purpose of the item was to update the Committee on the findings of the external audit of the 2022/23 financial year as the audit was concluded. External audit expected to sign the accounts following this meeting, after the Committee had had the opportunity to review the findings of their audit work.

Pete Barber apologised for the delays, explaining that there was concern within the sector about timeliness and that Grant Thornton had been keen to submit their final report, which would allow the Committee to off the accounts for the 2022/23 financial year.

Councillor Len Wilkins joined the meeting during this item. (around 4:05pm)

Members discussed the report, raising the following points, which were addressed by the Officers in attendance and the representatives from Grant Thornton;

- The external auditors had stated that there were no areas of concern but had made recommendations nonetheless. It was explained by the representatives from Grant Thornton that these were not serious recommendations which should cause concern, but areas that the Council may wish to consider for improvement.
- Members thanked Grant Thornton for the report and commended the Deputy Chief Executive and Chief Accountant on the outcome, which was in their view a good position to be in at a difficult time.

Councillor Jeremy Theyer joined the meeting during this item (around 4:25pm)

RESOLVED: That the Audit and Governance Committee:

1. NOTED the Audit Findings Report (Annex A) and extract from the revised 2022/23 Statement of Accounts (Annex B)
2. AGREED to APPROVE the Statement of Accounts 2022/23.
3. AGREED to recommend that the Chair of the Audit and Governance Committee and Deputy Chief Executive and Section 151 Officer sign the Letter of Representation at Annex C

Voting record

For 6, Against 0, Abstentions 0, Absent/Did not vote 1

269 Statement of Accounting Policies 2023/24

The purpose of the report was to present the accounting policies to be included in the 2023/24 Statement of Accounts.

The Chair introduced the item, explaining that there was only one significant change from the previous policy, which was to remove reference to infrastructure assets. However, the Chair felt that this was unclear and asked that any amendments to the policies are clearly highlighted in Annex going forward.

The Chief Accountant stated that this was a historic reference to assets such as highways and bridges, which the Council did not own and were generally assets under the responsibility of the County Council.

In discussing the report, it was stated that some assets of this type might still be owned by the Council, for instance grass verges. The Deputy Leader and Cabinet Member for Finance stated that the Cabinet would be considering an Asset Management Strategy at its meeting on Thursday 9 May, which would contain a full list of assets. The Deputy Chief Executive stated that verges were not considered to be significant infrastructure assets and were classified as surplus assets within the Council's fixed asset register

RESOLVED: That the Audit and Governance Committee:

1. APPROVED the draft accounting policies for 2023/24 included at Annex A;
2. NOTED that further necessary amendments to the policies set out at Annex A (occurring subsequent to this meeting) are included within the draft (unaudited) and/or final (audited) Statement of Accounts when presented to this Committee.

Voting record

For 6, Against 0, Abstentions 0, Absent/Did not vote 1

270 Internal Audit Plan 2024/25

The purpose of the report was to present the Internal Audit Plan 2024/25 to Audit and Governance Committee for consideration and approval.

The SWAP Assistant Director introduced the report.

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Members were invited to email any suggestions for future audit areas to the SWAP Assistant Director directly. The Deputy Chief Executive stated that they had recently discussed the potential for emerging areas as a result of the Publica Review with the SWAP Assistant Director.

Members welcomed the inclusion of areas such as Human Resources and Planning and Sustainability into the report.

RESOLVED: That the Audit and Governance Committee:

I. APPROVED the proposed Internal Audit Plan 2024/25.

Voting record

For 6, Against 0, Abstentions 0, Absent/Did not vote 1

271 Internal Audit Progress Report

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

Members discussed the report and raised questions around a number of areas, which the Deputy Chief Executive provided answers to;

- A key area of concern around property services was the lack of an Asset Management Strategy. The Assistant Director for Property and Regeneration explained that the Asset Management Strategy would be going to Cabinet for approval at its meeting on Thursday 9 May 2024, and welcomed the alleviation of the risk. The introduction of an asset register and the use of the Uniform system would help alleviate risk around the Council's legal compliance towards its properties.
- In further discussing the Asset Management Strategy members asked for further details as to how the Council manages the day-to-day administration of its assets. The Assistant Director for Property and Regeneration explained that the Estates and Assets teams took on different aspects of this work. The Estates Team managed landlord responsibilities and legal aspects, and the Assets team was responsible for maintenance, repair, renovations and consents.
- Further details were requested on a section of the report where it stated that "This audit was originally planned to be an assurance piece of work utilising walkthrough, discussion with staff, substantive testing, and evidence review. However, no up to date information could be provided for the audit". The Assistant Director for Property and Regeneration explained that this was due to insufficient capacity within the Estates Team to do so, and as such the property work was prioritised.
- The Publica review was discussed, the Assistant Director for Property and Regeneration stated that it was too soon to know whether the review would impact the structure or size of the teams. The Deputy Chief Executive stated that the Assets and Estates service would be transitioned from Publica to the Council in phase two of the transition. The service was presently a shared service between the three councils.
- Short term health and safety concerns that were picked up by the audit were addressed. The Assistant Director for Property and Regeneration stated that once the concerns about compliance were raised, a spreadsheet was put together to resolve immediate issues while Uniform was put in place for this use.

The Revenues and Benefits area was also reviewed, the findings around these were mainly positive, and this was discussed by members. Officers provided further information;

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- The SWAP Assistant Director stated that the team had implemented a project to improve customer service, and so had welcomed the recommendations.
- The complaints of bullying mentioned in the report had come from staff. The Deputy Chief Executive stated the Council had been aware of such concerns from the Investors in People evaluation and had alongside Publica already taken significant steps to address these. The Deputy Chief Executive stated that a full written response would be provided to members.

RESOLVED: That the Audit and Governance Committee:

- I. NOTED the report.

272 CFEU Update Report (RIPA and IPA annual update)

The Head of Service, Counter Fraud and Enforcement Unit (CFEU) introduced the item.

The purpose of the report was to provide the Committee with assurance over the counter fraud activities of the Council. Direct updates would continue to be provided to the Committee twice a year. Work plans were presented to the Committee detailing progress and results for consideration and comment as the body charged with governance in this area. The report also provided the annual update in relation to the Regulation of Investigatory Powers Act 2000 (RIPA), the Investigatory Powers Act 2016 (IPA) and the Council's existing authorisation arrangements.

The report was a regular one presented to the Committee regarding the work of the CFEU, and the Head of Service provided the following key updates:

- Due to the increased number of grants that the Councils are administering, the CFEU will be working on a verification and assurance toolkit to assist staff in ensuring fraud risk is considered and mitigated.
- Work will be undertaken regarding the risks related to unauthorised dual employment where staff had additional employment that was not declared.
- The CFEU team would be supporting the Publica review where needed.
- A £5,000 grant had been received from the OPCC to support the build of a fraud awareness website on behalf of the Gloucestershire Multi-Agency Approach to Fraud (MAAF) group to advise and support residents, staff etc.
- The housing waiting list had been reviewed to check for errors and fraud.
- The Council had been inspected by the Investigatory Powers Commissioner's Office regarding activities and responsibilities under the Regulation of Investigatory Powers Act 2000 (RIPA) and the Investigatory Powers Act 2016 (IPA). The Council had been found fully compliant. A summary document around this legislation would be distributed.

The Head of Service explained that the appendix had been presented this year detailing work for 2023/24 but the current year has been expanded and updated so that it acts as a service delivery plan / aide memoire of what the CFEU does and is responsible for. In the future there will be more information in the reports rather than a list of work streams.

Members made a number of points on the report which were responded to by the Head of Service.

- The CFEU worked to strict legislative standards, so they did not feel the need to use KPIs (Key Performance Indicators) to monitor their performance in terms of the number of cases investigated and outcomes.

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- The CFEU worked closely with the Internal Audit team, meeting quarterly to ensure their work plans were aligned and any internal control failings / risks were captured in any future audits.

RESOLVED: That the Audit and Governance Committee:

- I. NOTED the report.

273 Work Plan

The Committee discussed their work plan, stating that the next meeting in July would have a large number of items.

There were no further comments on the Work Plan.

RESOLVED: That the Audit and Governance Committee:

- I. NOTED the work plan.

The Meeting commenced at 4.00 pm and closed at 5.35 pm

Chair

(END)