
Meeting	Audit And Governance Committee
Date	29 January 2025
Present	Councillors Hollyer (Chair), J Burton (Vice-Chair), Fisher, Merrett, Rose, Watson, Binney (Independent Member) And Whitcroft (Substitute)
In Attendance	Debbie Mitchell – Director Of Finance Mark Outterside - Director, Forvis Mazars Louise Stables - Audit Manager, Forvis Mazars Max Thomas - Director And Head Of Internal Audit, Veritau Jonathan Dodsworth - Assistant Director – Corporate Fraud Richard Smith - Deputy Head Of Internal Audit Lorraine Lunt - Information Governance And Feedback Manager/Dpo
Apologies	Councillor Coles

The Chair thanked Cllr Mason for his time on the Committee and welcomed new Member Cllr Watson.

51. APOLOGIES FOR ABSENCE (17:31)

It was confirmed that apologies had been received from Cllr Coles and Cllr Whitcroft was substituting.

52. DECLARATIONS OF INTEREST (17:32)

Members were asked to declare any personal interests not included on the Register of Interests, any prejudicial interests or any disclosable pecuniary interests which they may have in respect of business on the agenda. None were declared.

53. EXCLUSION OF PRESS AND PUBLIC (17:33)

Resolved: That the press and public be excluded from the meeting during consideration of Annex 3 and 4 to Agenda Item 12 on the grounds that it contains information relating to Information relating to the financial or business affairs of any particular person (including the authority holding that information) and Annex 4 a to f to Agenda Item 13 on the grounds that it contains information relating to Information relating to any action taken or to be taken in connection with the prevention, investigation, or prosecution of crime. This information was classed as exempt under paragraph 3 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by The Local Government (Access to Information) (Variation) Order 2006).

54. MINUTES & ACTION LOG (17:34)

The Committee discussed when the next review of the Constitution would come to the Committee for consideration. They also noted to request an update to actions 65, 68, and 87.

Resolved:

- i. That the minutes of the meeting held on 27 November 2024 be approved and then signed by the Chair as a correct record;
- ii. To request an update from the Monitoring Officer in relation to action 65, 68, and 87 in the action log.

55. PUBLIC PARTICIPATION (17:38)

It was reported that there had been no registrations to speak at the meeting under the Council's Public Participation Scheme.

56. AUDIT COMPLETION REPORT 2023/24 (17:38)

The Committee were joined by Mark Outterside, Director, Forvis Mazars and Louise Stables, Audit Manager, Forvis Mazars.

Mr Outterside introduced the report which provided the Committee with an update on the external audits that have been completed and those that were outstanding and currently being worked on. It was confirmed that Mazars were working on completing the whole of government report which auditors had to preform for all Local Authorities that will be submitted to Government.

The Committee considered the progress report and noted that the Council had moved from liability position on pensions to an asset position. Members enquired about amber valuation given to upcoming external audits, it was confirmed that this meant that the audit could result in a significant finding at the time of the report. It was also confirmed that issues relating to the Council's art collection being uninsured for a year had been rectified.

Resolved:

- i. Noted the matters set out in the Audit Progress Report presented by the external auditor.

Reason: To ensure the proper consideration of the progress of the external auditor in respect of the annual audit of accounts and review of the council's arrangements for ensuring value for money.

57. TREASURY MANAGEMENT MONITOR 3 (18:04)

The Director of Finance introduced the report on Treasury Management 2024/25 Quarter 3 report and review of Prudential Indicators. The Committee noted no new borrowing in quarter 3 and enquired as to how the Council manages interest rates going forward and why the public loans body was not bringing down borrowing rates as quickly as banks. Officers noted they would need to review the public loans body plan, on planning around future borrowing estimates the Council had access too indicated that interest rates were expected to decline. They noted that the Council did budget for interest rate increases to ensure good budget management, but larger increases in interest rates when the Council was refinancing would be a risk.

Resolved:

- i. Noted the Treasury Management Quarter 3 Report and Review of Prudential Indicators 2024/25 at Annex 1.

Reason: That those responsible for scrutiny and governance arrangements are updated on a regular basis to ensure that those implementing policies and executing transactions have properly fulfilled their responsibilities with regard to delegation and reporting.

58. TREASURY MANAGEMENT STRATEGY (18:11)

The Director of Finance introduced the report and outlined that this report had also been to Budget Executive and that no change had been made to the strategy since the Committee considered the strategy in 2024.

Resolved:

- i. Noted the treasury management strategy statement and prudential indicators for 2025/26 to 2029/30 at annex A.

Reason: So that those responsible for scrutiny and governance arrangements are properly updated and able to fulfil their responsibilities in scrutinising the strategy and policy.

59. FINAL STATEMENT OF ACCOUNTS 2023/24 (17:52)

The Director of Finance introduced the report and confirmed that the Committee were asked to delegate to the Chair and Vice Chair the signing off the Statement of Accounts once Mazars audit work was completed. It was confirmed that sections highlighted in yellow were amended from when the Committee had previously considered the draft Statement of Accounts.

Members discussed the report and enquired about impairments and collectables and concerns about developers that go out of business and the level of risk the Council could be liable for.

Officers noted that in terms of business rates the Council doesn't set the valuation of the business but collects and returns to government who reimburse councils. In terms of specific liabilities in relation to recent examples outlined in the local press it was confirmed a briefing note would be provided to Committee members about these specific examples.

Resolved:

- i. Noted the matters set out in the Audit Completion Report presented by the external auditor in the previous agenda item and summarised in this report.

Reason: To ensure the proper consideration of the opinion and conclusions of the external auditor in respect of the annual audit of accounts and review of the council's arrangements for ensuring value for money.

- ii. Delegated authority to the Chair in consultation with the Vice Chair to approve and sign the final Statement of Accounts by resolution of this Committee in accordance with the Accounts and Audit regulations 2015 - subject to the only amendments being related to the matters outlined in the Audit Completion report.

Reason: To ensure compliance with the International Auditing Standards and other relevant legislative requirements.

- iii. Noted the draft pre-audit statement of accounts, for the financial year ended 31 March 2024.

Reason: To ensure that, in line with best practice, Members have had the opportunity to review the draft pre-audit Statement of Accounts.

60. AUDIT AND GOVERNANCE COMMITTEE WORK PLAN (18:12)

The Committee considered their work plan for the 2024/25 municipal year. The chair reminded Committee members to complete the questionnaire for the Audit Committee Self-Assessment if they had not yet done so. Members noted the

current review of Scrutiny being undertaken and considered whether there would be recommendations from the review which could apply to the Audit and Governance Committee.

Resolved:

- i. Noted the Committee's work plan for the 2024/25 municipal year.
- ii. That the Chair would discuss with the Monitoring Officer about whether there would be recommendations from the Council's scrutiny review which could be considered for the Audit and Governance Committee.

Reason: To ensure the Committee maintained a programme of work.

61. INTERNAL AUDIT WORK PLAN CONSULTATION (18:14)

The Director and Head of Internal Audit at Veritau introduced the report on internal audits. He noted that a final work plan would be brought back to the Committee at its March meeting and that remained flexible and open to suggestions from the Committee. It was also confirmed that Veritau did not currently have internal audits which were being worked on which they expected to come back as low assurance.

The Committee considered the work plan and made several enquires including on highways maintenance. Members noted that the Council had a larger programme of highways maintenance than it had available funding and asked whether the Council was following best practice in this area. They were informed that internal audits had previously looked at how the Council prioritised the highways maintenance budget but that an audit of the processes and prioritisation in highways maintenance could be considered for the work plan.

Members also considered possible internal audit items including the Council's free school's meal scheme, the Council's website and open data access, and the Council's forward plan of upcoming decisions.

Resolved:

- i. To recommend that Veritau consider the possibility of inclusion in the 2025/26 internal audit work programme audits on processes and prioritisation in highways maintenance, the Council's free school's meal scheme, the Council's website and open data access, and the Council's forward plan of upcoming decisions.

Reason: Internal audit professional standards require that the views of this committee are considered when developing the internal audit work programme.

62. INTERNAL AUDIT & COUNTER FRAUD PROGRESS REPORT (18:29)

Officers from Veritau introduced the report. They outlined work on the increase in right to buy applications, work with the counter fraud team and national fraud initiative work and confirmed that they had assisted the Council in exceeding its target of and recovered £244,000.

The Committee considered the report and enquired about cases of people work for multiple agencies at the same time and whether working from home had increased this. It was confirmed that Veritau had not had any of these issues come up in there work but had seen cases reported elsewhere.

the committee then considered exempt annexes 3 and 4 in private session as resolved in minute 53.

Resolved:

- i. Noted the progress made in delivering the 2024/25 internal audit work programme, and current delivery intentions over the remainder of the year;
- ii. Noted current and planned counter fraud activity.

Reason: To enable members to consider the implications of internal audit and counter fraud findings, and to review planned activity for the remainder of 2024/25.

63. **CORPORATE GOVERNANCE REPORT (18:42)**

The Information Governance and Feedback Manager/DPO introduced the report providing the Committee with an update on the corporate governance team performance on areas including Information Commissioners Office (ICO) cases, Local Government and Social Care Ombudsman (LGSCO) and Housing Ombudsman Service (HOS) cases, HOS complaint handling code assessment, and Investigatory Powers Commissioner (IPCO) inspection including Audit and Governance Committee's "fit for purpose" review of the covert surveillance policy and procedures and data report.

The committee discussed a range of complaints and requests for information that the Council received. They enquired as to whether any of the complainants might be interested in raising concerns at the Committee. Officers confirmed that anyone could register to speak at the Committee, however, when handling FOI's or EIA's as well as other cases there are legal processes to follow, and the Council must follow these processes.

the committee considered exempt annexes 4a to 4f in private session as resolved in minute 53.

Resolved:

- i. Noted the performance details contained in this report and provide any comments or feedback.

Reason: So that Members are provided with details and current performance from the Corporate Governance Team.

- ii. Noted the details from the updates contained in this report and provide any comments or feedback.

Reason: So that Members are provided with updates from the areas of responsibility from the Corporate Governance Team.

- iii. Noted the outcomes of the IPCO inspection and conduct the required the "fit for purpose" review of the covert surveillance policy and procedures and data report.

Reason: So that Members are provided with the IPCO inspection report and findings and can conduct their “fit for purpose” review

Cllr Hollyer, Chair

[The meeting started at 5.30 pm and finished at 7.32 pm].

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