

GOVERNANCE & AUDIT COMMITTEE
23 JUNE 2021
7.30 - 8.40 PM



Present:

Councillors Allen (Chairman), Wade (Vice-Chairman), Mrs Hayes MBE, Heydon, Leake and Neil

Apologies for absence were received from:

Councillors Tullett

4. Declarations of Interest

There were no declarations of interest.

5. Minutes of previous meeting

RESOLVED that the minutes of the meeting of the committee held on the 24 March 21 and the Annual Meeting held on 28 April 21 be approved as a correct record, and signed by the Chairman.

6. Urgent Items of Business

There were no urgent items of business.

7. Internal Audit Annual Assurance Report 2020/21

Sally Hendrick, Head of Audit and Risk Management, reported to members on the Internal Audit Annual report.

It was confirmed to the committee that risk management and corporate governance arrangements were currently considered adequate. The Head of Audit and Risk Management was only able to give a partial opinion on the control environment. Improvement had been made since last year when only a limited assurance opinion could be given, however progress had slowed down due to the pandemic and further actions needed to be taken to ensure an adequate control environment.

The Head of Audit and Risk Management was unable to give an opinion on schools because auditors were not allowed on site during the pandemic. It was confirmed that a presence was required onsite to carry out certain elements within the schools. Steps were being taken to ensure that this can be progressed going forward including a pilot for remote audits.

Following questions, it was noted:

- There was a focus on issues relating to debt management and loans. It was questioned about whether this was a concern. Audit work in that area identified that this was an area which needed improvement. The pandemic and staffing pressure had held up progress on debt management. Debt management action was delegated to each service

area and these services had also had additional pressures during the last year which meant progress had been limited. It was questioned whether there was a case for bringing it under central control however it was explained that there would be difficulties in doing this especially around social care and was an area under view.

- It was questioned whether Stuart McKellar, Borough Treasurer, could circulate a response to address the viability of consolidating debt management for all council departments.

The committee **NOTED** the Internal Audit Annual Assurance report 2020/21.

8. **Standards Annual Report**

Sanjay Prashar, Borough Solicitor, reported to members on the Standards Annual Report from 1 April 2020 to 31 March 2021. It was noted that this covered both borough and parish councillors.

It was noted that there were 9 complaints this year. One complaint around bullying had resulted in a finding, whilst most of the others were resolved informally.

The Local Government Association (LGA) had now published their model code of conduct and the council's code of conduct would be revised considering this.

Following questions the following was noted:

- It was good to see sanctions put in place where it was considered that there was a breach in the code of conduct.
- Parish procedures should be reviewed to ensure that the chair would be notified of any breaches of the code.
- Any changes brought about by the model code of conduct review would be discussed with Parish and Town clerks so these changes could be implemented.

The committee **NOTED** the Standards outputs in 2020/21 as set out in the report

9. **Annual Governance Statement**

Sanjay Prashar, Borough Solicitor, reported to members on the annual governance statement. All authorities needed to produce an annual governance statement based on an analysis of structures and systems throughout the year as well as feedback from a questionnaire by senior officers. The methodology used was the Chartered Institute of Public Finance and Accountancy (CIPFA) 7 principles of good governance. Each principle has been given an assurance and there were some areas of significant change. The pandemic had been the biggest challenge last year and the Council had responded to it well. Remote working had also been a challenge, but it was felt that this has also been met with the benefit of the Microsoft Teams app.

The Governance Statement included an action plan with relevant updates. It was noted that the pandemic recovery plan had been delayed due to the government extension of lockdown and progress would be reviewed at the earliest opportunity.

There was also a planned review of the code of conduct. A report would be going to the Code of Conduct Working Group so the policy could be compared with the Local Government Associations Model code and any necessary updates made along with the whistle blowing policy.

Following a positive audit from the Information Commissioners Office there had been some follow up actions and it has been confirmed that they have concluded their enquiries. One action was to create a corporate contract register and this was being developed by the Information Governance project lead.

Following questions, it was noted:

- That there was not a clear methodology for assessment beyond the 7 key CIPFA principles. However, if there were any concerns then an assurance would not be given by the monitoring officer and this was considered throughout the year.
- That the monitoring officer was satisfied that the issues being covered by these principles were being addressed.
- It was confirmed that the code of conduct would be brought back to this committee in future.
- It was confirmed that the document was a statutory requirement.
- The report would be approved by the Chief Executive, the Leader and would be looked at by external audit to check for inconsistencies.

RESOLVED that the committee approve the draft Annual Governance Statement (“AGS”) and Action plan.

CHAIRMAN