



MINUTES OF A MEETING OF THE AUDIT AND GOVERNANCE COMMITTEE HELD ON 5th FEBRUARY 2025

PRESENT: Councillor C Adams (Chair), Councillors S Doyle, C Bain,
M Couchman, J Oates and A Wells (Vice-Chair)

Officers Stephen Gabriel (Chief Executive), Joanne Goodfellow (Interim Executive Director Finance and Deputy Section 151 Officer), Rebecca Neill (Interim Audit Manager), Tracey Pinton (Legal Admin & Democratic Services Manager), Laura Sandland (Democratic and Executive Support Officer) and Nicola Hesketh (Monitoring Officer)

Visitors Laura Hinsley (Azets)

36 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor P Turner

37 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 13th November 2024 were approved and signed as a correct record.

(Moved by Councillor Marion Couchman and seconded by Councillor C Bain)

38 DECLARATIONS OF INTEREST

There were no declarations of Interest.

39 AUDITOR'S ANNUAL REPORT 2023/24

Report of Azets. Laura Hinsley, from Azets, the external auditors presented the report.

The Annual Report on the council's arrangements to secure Value for money 2023/24 financial year. Reported on 3 areas:

- The Council's arrangements to secure financial sustainability.
- The Council's governance arrangements
- The Council's arrangements to secure improvements in economy efficiency and effectiveness.

The External Auditor reported that the Council's accounts give a true and fair representation and are materially correct, advising they don't consider there to be significant weaknesses in the Council's arrangements and as such the external auditors have not made any key recommendations.

Attention was drawn to the issue delayed certification on their audit opinion due to the requirement from the National Audit Office to contribute towards the whole of government accounts and that they will keep in contact with the Interim Executive Director Finance when the new external Auditors take over for 24/25 period.

Member sought clarity on the following:

- What is the difference between other recommendations and key recommendations?

The External Auditor explained that key recommendation would feature in the audit opinion and would stand out as a weakness to be addressed in arrangements, whereas other recommendation is considered best practice, an improvement, rather than significant weakness.

- How long has the recommendation that the chief executive be a regular attendee at Audit and Governance Committee been in the CIPFA guidance and why did it take time to be enacted?

External Auditors informed the committee that: they took over Assurance for 23/24 and cannot comment on the process prior to this and they will provide a response as to when this came into guidance.

- What is the frequency that TBC is externally audited?

The External Auditors explained that the function as external audit is to review the financial statements so that happens once, they have been produced which tends to be between June and September, whilst most of the work is focused on the year-end position, they work with the council all year round.

- Will the External Auditors be auditing against the Financial Stability Plan going for future reports?

The External Auditors advised that this was their last committee, and that Bishop Fleming will be taking over for 24/25.

- What is the risk is of not spending the Future High Street Fund money and what provision has been made to deal with that risk?

The Interim Director Finance answered that their most recent understanding was that this 186K which might have to be reprofiled and the team had plans to spend this money.

The Chief Executive added that the council have also contributed to the scheme it was agreed that the Future High Street Fund would be used first and then the council contribution, therefore it will be spent within the timeline agreed with MHCLG.

- Members highlighted the importance of getting the benefits from the Local Strategic Partnership.

Resolved that the Committee:

1. Endorsed the report with the comments made.

(Moved by Councillor C Bain and seconded by Councillor M Couchman)

40 INTERNAL AUDIT PROGRESS UPDATE Q3

Report of the Interim Audit Manager to provide the Audit & Governance Committee with internal audit's progress report for the period to 31 December 2024.

Members sought clarity on:

- Outstanding audit actions and the process for inviting senior managers with those actions to come before the Committee to give assurance?

The Interim Audit Manager explained that outstanding high priority overdue audit actions were detailed within the report and that the Interim Director of Finance was here to give assurance on her areas of responsibility and that the Internal Audit Manager could herself give assurance on the action relating to business continuity following feedback received from the Assistant Director Assets. The Interim Audit Manager explained that she would look at how the Committee would like to receive this information in future reports.

- What happens if we don't meet the targets?

The Interim Audit Manager explained that the target of 90% achievement of the plan would be challenging but work was underway, and she was confident that there would be sufficient coverage of the plan to enable an assurance opinion at the year end.

The Interim Audit Manager explained to the Committee the forthcoming change from Public Sector Internal Audit Standards to Global Internal Audit Standards and the work being undertaken to ensure the Council remains compliant. She explained that a report would be 19th March Committee.

Resolved that the committee noted the following report

Internal Audit's Quarterly Progress Report (Q3) at Appendix 1.

(Moved by Councillor C Bain and seconded by Councillor M Couchman)

41 **AUDIT COMMITTEE EFFECTIVENESS**

Report of the Interim Audit Manager to undertake the annual self-assessment of Audit & Governance Committee effectiveness.

Resolved that the committee:

1. Considered the attached self-assessment checklist (Appendix 3) and endorses any actions to improve its effectiveness as appropriate.

(Moved by Councillor S Doyle and seconded by Councillor M Couchman)

An additional recommendation was proposed and was resolved that the Committee:

2. Asked Members to form a subcommittee to look at the CIPFA checklist.

(Moved by Councillor S Doyle and seconded by Councillor C Bain)

Councillors C Adams, A wells, C Bain and M Couchman volunteered to form this group.

42 FINANCIAL WAIVERS TO 31ST DECEMBER 2024

Councillor Oates left the meeting at 18:51 and did not vote on this item.

Report of the Interim Executive Director Finance for the Audit & Governance Committee to note the waivers to the Council's procurement processes as set out in Financial Guidance for the period 1st October 30th to 31st December 2024, for the reasons as set out, and to advise if any further information is required.

Members questioned the following:

- Should Financial Waivers be available to view?

The interim Director Finance informed the committee that the Scheme of Delegation process was being looked at as part of the constitution review.

- What are the limits on waivers?

The Interim Director Finance informed on the process and under Financial Guidance there are different thresholds for the roots of procurement, so anything over £5,000 should go through our electronic tendering portal; so, waivers would be an exception rather than the rule.

- Is there a maximum amount for waivers?

The Interim Director Finance explained that he public contracts regulations are certain thresholds whereby we have to comply with the legislation, which means we must tender those opportunities, and those thresholds are set out in the report.

Resolved that the committee:

Noted the waivers approved to the procurement processes as set out in the Council's Financial Guidance

(Moved by Councillor A Wells and seconded by Councillor M Couchman)

43 RISK MANAGEMENT QUARTERLY UPDATE QTR.3 2024/25

Report of the Interim Executive Director Finance to report on the Risk Management process and progress for Quarter 3 of the 2024/25 financial year.

- The Chair highlighted the link between cyber security and information governance risk as area for further clarification.

The interim Executive Director Finance will feed this back to the relevant Assistant Director.

Resolved that the committee:

1. Endorsed the Corporate Risk Register and receives assurance on actions taking place to manage the Council's most significant strategic risks.

(Moved by Councillor C Bain and seconded by Councillor S Doyle)

44 FHSF RISK UPDATE JANUARY 2025

The item was deferred and will come to the next Audit and Governance Committee meeting on 19th March 2025.

45 REGULATION OF STANDARDS OF CONDUCT

Report of the Monitoring Officer to provide the committee with an update on the number of Code of Conduct complaints received by the Monitoring Officer.

Resolved that the committee

Endorsed the contents of the report.

(Moved by Councillor C Bain and seconded by Councillor S Doyle)

46 COMMENTS, COMPLIMENTS AND COMPLAINTS UPDATE

Report of the Assistant Director – People to provide the committee with an overview of the Council's policy and procedures for comments, compliments and complaints including the requirements of both the Housing and Local Government and Social Care Ombudsman.

- Members asked if there had been many compliments or complaints since the reopening the front desk at Marmion House?

Officers advised that there were tablets in Marmion House that can capture that data and that they can share this with Members going forward.

Resolved that the committee:

Endorsed the contents of this report.

(Moved by Councillor A Wells and seconded by Councillor C Bain)

47 AUDIT AND GOVERNANCE COMMITTEE TIMETABLE

The Committee reviewed the timetable and highlighted training and the committee functions as an area for further support and discussion.

Chair