

## **AUDIT AND GOVERNANCE COMMITTEE**

28 June 2021

**Present** – The Chairman (Councillor Hull) and Councillors Handley, Lis, Noland, Place and Independent Person Greg Robinson.

**Officers** – Chief Finance Officer (s151 Officer), Solicitor to the Council and Monitoring Officer, Performance Manager and Exchequer and Democratic Services and Scrutiny Officer.

Apologies for absence were received from Councillors Wheeler, Barrett, Mercer and Harbron.

Start: 6.30pm

Finish: 7.40pm

**Resolved** – That the minutes of the meeting held on 22 March 2021 were approved as a correct record.

### **Minutes for Report**

AC.395

#### **S106 Audit Final Report**

The Chief Finance Officer introduced a report which presented the final S106 Audit undertaken as part of the Annual Audit Plan for 2020/21.

There were several recommendations made, none of which were priority one and Members noted that the overall audit opinion on the determinations of Planning Applications under delegated authority excluded the S106 element of the process. It was suggested the Committee continued to review the Audit and looked into it when the assessment of follow up actions were reviewed. Members were pleased to note the overall assurance was good.

Members expressed their concern in relation to the lack of response from management on several recommendations. The Chief Finance Officer noted Members' comments and suggested the Committee deferred the item when Internal Audit and Planning were able attend the meeting.

**Resolved** – That, the item is deferred.

AC.396

#### **CDC Parking Income Final Report**

The Chief Finance Officer briefly introduced the report which presented the final CDC Parking Income audit.

**Resolved** – That, the content of the report is noted.

AC.397

### **Internal Audit Plan 2021/22**

The Chief Finance Officer (s151) introduced a report which presented the Internal Audit Plan 2021/22. Because all of the key financial systems within the Council had either awarded “significant” or “good” levels of assurance with regards to the internal control environment, Members noted that the approach from now on was to adopt a more risk based approach whereby other internal controls were assessed.

Members noted that the focus of the upcoming audit work would be based on risks identified during the Covid-19 pandemic, its effect on the Authority, and the recovery process following. Part of the audit plan would also be allocated to work relating to the allocation of the business support grant funds. Members noted the 180 days agreed and the 20 days contingency which hadn't been drawn on previously.

The Independent Person suggested the plan could be more clearly linked to risks by the addition of columns, risks and how each Audit addressed the risk including when the Audit would take place.

**Resolved** – That, the Internal Audit Plan 2021/22 is approved.

AC.398

### **Annual Internal Audit Report**

The Chief Finance Officer (s151) introduced a report which considered the key findings and conclusions from audit work undertaken in 2020/21 and give an opinion on the overall adequacy and effectiveness of the Council's arrangements for risk management and governance and on its internal controls.

Members noted that the overall opinion was that, based on the audit work undertaken during 2020/21, the Council's framework of governance, risk management and internal control was satisfactory and operating effectively in practice.

**Resolved** – That, the content of the report and the opinion are noted.

AC.399

### **Internal Audit Recommendations (Progress at Q1 2021)**

The Performance Manager and Exchequer presented a report which described the progress against the recommendations provided by the Internal Audit team. Members noted that there were 3 outstanding recommendations and a plan in place to address these by September. Members also noted that there were a further two audits which would be addressed at the subsequent meeting.

**Resolved** – That, the progress against the Internal Audit Recommendations is noted.

AC.400

### **Risk Action Plan**

The Chief Finance Officer (s151) introduced a report which updated Members on the proposed action plan to address the findings of the recent Internal Audit report in Risk Management.

Members noted the 9 separate recommendations which covered two broad areas of improvement:

- Training support and reference materials required to be refreshed and updated;
- Ensure that policies are reviewed regularly and implement checks to ensure they are applied consistently.

The Plan described the approach to address the recommendations and ensure that the Risk Management activity was consistent and effective by October 2021. Members were pleased to be informed of the planned re-introduction of the Risk Management Group.

**Resolved** – That, the content of the proposed action plan is noted and the actions in the proposed action plan are agreed.

AC.401

### **Performance Framework 2021/23**

The Performance Manager and Exchequer presented a report which updated Members on the Council's Performance Framework for the coming two financial years and invited Members to agree dates and reporting mechanisms. Members were pleased to see the progress in achieving actions identified in the Climate Emergency Strategic Plan was included within the Framework.

**Resolved** – The monitoring and reporting mechanisms described in the Council's Performance Framework for the Financial Years 2021/22 and 2022/23 are noted and the described reporting arrangements for 2021/22, including the dates in the Performance Framework Document are agreed.

AC.402

### **Draft Annual Governance Statement**

The Chief Finance Officer (s151) introduced a report which updated Committee Members on the Council's Annual Governance Statement for 2020/21 and sought approval for inclusion in the Statement of Accounts.

The Performance Manager and Exchequer advised Members that it was an opportunity to review the draft version of the Annual Governance Statement. The Annual Governance Statement described how well the Council had done, the things we said we would do which included work such as the annual review of the Constitution.

**Resolved** – 1) That, the content of the Draft Annual Governance Statement, including progress against actions and the actions proposed for 2021/22 are noted  
2) That the inclusion of the Annual Governance Statement in the 2020/21 Statement of Accounts is approved.

AC.403

### **Contract Procedure Rules and Exemption Report**

The Chief Finance Officer (s151) introduced a report which presented the exemptions granted from the Contract Procedure Rules in Quarter 1, 2021/22. Exemptions were granted for the extension of a contract for the provision of Project Management services for affordable housing developments on Council Land and for the purchase of an ex-demonstration Refuse Collection Vehicle directly from the vehicle manufacturer.

**Resolved** – That, the two exemptions granted from the Councils Contract Procedure Rules are noted.

AC. 404

**Any Other Business**

The Chairperson wished to place on record her thanks to the Chief Finance Officer (s151) and wished him the best of luck in his new role.

**Minutes for Decision**

Chairman.