

AUDIT & CORPORATE GOVERNANCE SCRUTINY COMMITTEE

MINUTES OF MEETING HELD ON WEDNESDAY, 2 DECEMBER 2020

Present:

Councillor Martin E Thacker MBE JP (Chair) (in the Chair)
Councillor Stephen Clough (Vice-Chair)

Councillor William Armitage
Councillor Pat Kerry
Councillor Michael Roe

Councillor Lilian Deighton
Councillor Gerry Morley
Councillor Ross Shipman

Also Present:

L Hickin	Joint Director of Corporate Resources and Head of Paid Service
J Dethick	Head of Finance and Resources, Section 151 Officer
S Sternberg	Joint Head Of Service - Corporate Governance & Monitoring Officer
J Williams	Internal Audit Consortium Manager
D Stanton	Governance Officer
A Bashir	Improvement Officer

AUD/ Apologies for Absence

15/2

0-21 An apology for absence was received from Councillor Nigel Barker.

AUD/ Declarations of Interest

16/2

0-21 Members were requested to declare the existence and nature of any disclosable pecuniary interests and/or other interests, not already on their register of interests, in any item on the agenda and to withdraw from the meeting at the appropriate time.

There were no interests declared at this meeting.

AUD/ Minutes of Last Meeting

17/2

0-21 RESOLVED – That the Minutes of the meeting of the Audit and Corporate Governance Scrutiny Committee held on 30 September 2020 be approved as a correct record and signed by the Chair.

AUD/ Summary of Progress on the 2020/21 Internal Audit Plan

18/2

0-21 The Internal Audit Consortium Manager presented the report which detailed the progress made by the Internal Audit Consortium in respect of the 2020/21 Internal Audit Plan and included a summary of Internal Audit Reports issued since the last meeting of this committee.

The officer highlighted that over this period five reports had been issued as

detailed in Appendix 2, four had received substantial assurance and one reasonable assurance. Members noted that no fraud had been identified and there were no issues to bring to the attention of the Committee.

The progress on the 2020/2021 plan was highlighted in Appendix 3. The Internal Audit Consortium Manager detailed that nine reports had been issued to date and there were a further six audits in progress. The Committee heard that a mid-year review had been conducted with the S151 Officer about the risks arising from COVID-19. It was stated that the current plan was still considered appropriate and that COVID-19 had not affected controls in place. The officer highlighted that if any significant risks were to still emerge then the plan would need to be varied. Members noted that there was reasonable progress on the plan, but it was likely that some areas would need to be carried over to 2021-2022.

RESOLVED –

- (1) That the report be noted;
- (2) The impact of the coronavirus on the ability to complete the current audit plan and the potential for future changes to the plan is noted.

AUD/ Implementation of Internal Audit Recommendations

19/2

0-21

The Internal Audit Consortium Manager presented the report which contained a summary of the internal audit recommendations made and implemented for the financial years 2018/19 - 2020/21 (to date), as highlighted in Appendix 1. Members noted that COVID-19 may have had an impact on the officer's ability to implement some recommendations or ensure that PERFORM was updated and that given the current circumstances the progress made was reasonable.

The Chairman noted that the business continuity arrangements were marked as a medium priority and requested that the impact of Covid on business continuity and the recovery plans the Council has in place to address this should be more highly prioritised.

The Chairman therefore requested that an additional recommendation be added to state that a report reviewing business continuity and recovery arrangements in relation to maintaining financial control as a result of the pandemic be brought back to the next meeting of the Audit & Corporate Governance Scrutiny Committee.

RESOLVED - That

- (1) the report be noted;
- (2) that a further update be brought in 6 months' time; and
- (3) a report on business continuity arrangements and recovery arrangements as a result of the pandemic be brought back to the next meeting of the Audit & Corporate Governance Scrutiny Committee.

AUD/ Council Plan Targets Performance Update - July - September 2020 (Q2 - 2020/21)

20/2

0-21

The Improvement Officer presented a report which detailed the Quarter 2 outturns

for the Council Plan 2019-2023 targets. The officer highlighted that a number of targets had been selected for a review due to the impact and ongoing challenges of COVID-19 and that a report would be going to Cabinet in December.

RESOLVED - That quarterly outturns against the Council Plan 2019-2023 targets be noted.

AUD/ **Risk Management**

21/2

0-21

The Director of Corporate Resources and Head of Paid Service presented the report which provided an update of the current position regarding Risk Management arrangements and the Strategic Risk Register as at November 2020. Members noted that an additional Strategic Risk had been added to the Strategic Risk Register around COVID-19, and that the Risk Management Group would be bringing regular retrospective updates to the Committee.

The Chairman suggested that a Member of the Audit Committee be included on the Risk Management Group and that this appointment be added to the agenda of the next meeting of the Audit & Corporate Governance Scrutiny Committee. He also requested that a framework and forward plan of those meetings be brought to the Committee so that Members could be part of, and contribute to, the process.

RESOLVED - That the Audit and Corporate Governance Scrutiny Committee notes the report and Strategic Risk Register as at November 2020 as set out in Appendix 2.

AUD/ **Corporate Debt**

22/2

0-21

The S151 Officer presented the report which contained a summary of the corporate debt position at 31 October 2020.

RESOLVED - That the Audit and Corporate Governance Scrutiny Committee note the report concerning the Council's Corporate Debt as at 31 October 2020.

AUD/ **Financial Impact of COVID-19 for Local Authorities**

23/2

0-21

The S151 Officer presented the report which provided benchmarking information on the impact of COVID-19 on local authority finances.

RESOLVED - That the Audit and Corporate Governance Scrutiny Committee note the report.

AUD/ **Treasury Management Update**

24/2

0-21

The S151 Officer presented the report which provided an update on the Council's treasury management activities.

RESOLVED – That the Audit and Corporate Governance Scrutiny Committee note the treasury management activities undertaken during the first half of the year as outlined in Appendix 1.

AUD/ Corporate Work Programme 2020/21

25/2

0-21

The Joint Head of Corporate Governance and Monitoring Officer presented the report which was to enable the Audit and Corporate Governance Scrutiny Committee to review the Work Programme for the remainder of the municipal year 2020/2021.

Members noted the following additions to the Work Programme; for the meeting on 20 January 2021 the Committee would consider an additional member to the Risk Management Group as requested by the Chair; and for the meeting on 10 February 2021 there would be a report to Review the Code of Corporate Governance.

Members noted that there was also an addition to the 20 January meeting for a report on the Business Continuity arrangements. The Internal Audit Consortium Manager noted that for the meeting of 10 February 2021 the report on Fighting Fraud and Corruption Locally would be dependent on CIPFA issuing the results of the relevant survey, and if there was a delay it would be taken to the following meeting.

RESOLVED - That the Committee notes and approves the Audit and Corporate Governance Scrutiny Work Programme for the remainder of the 2020/2021 municipal year as set out in the attached Appendix 1.

AUD/ To consider any other items which the Chair is of the opinion should be considered as a matter of urgency.

26/2

0-21

There were no other items to be considered as a matter of urgency.

AUD/ Exclusion of Public

27/2

0-21

The Chair moved a motion that the Committee continue in private session, this was seconded by Cllr Roe.

RESOLVED - That the public be excluded from the meeting during the discussion of the following item of business to avoid the disclosure to them of exempt information as defined in Paragraphs 1 and 3, Part 1 of Schedule 12A to the Local Government Act 1972, (as amended by the Local Government (Access to Information) (Variation) Order 2006).

AUD/ Coronavirus (Covid-19) Recovery Plans

27/2

0-

21a

The Committee was presented with a report which outlined the Council's Coronavirus Recovery Plans.

RESOLVED – That the update be noted.