

## **AUDIT & CORPORATE GOVERNANCE SCRUTINY COMMITTEE**

### **MINUTES OF MEETING HELD ON WEDNESDAY, 12 JANUARY 2022**

#### **Present:**

Councillor Martin E Thacker MBE JP (Chair) (in the Chair)

Councillor Nigel Barker  
Councillor Ross Shipman

Councillor Pat Kerry

#### **Also Present:**

G Callingham	Director of Growth
J Dethick	Assistant Director - Finance and Resources (Section 151 Officer)
J Williams	Internal Audit Consortium Manager
D Stanton	Governance Officer

#### **AUD Apologies for Absence**

**76/2**

**1-22** Apologies for absence were received from Councillors W Armitage, S Clough, G Morley, M Roe and K Tait,

#### **AUD Declarations of Interest**

**77/2**

**1-22** Members were requested to declare the existence and nature of any disclosable pecuniary interest and/or other interest, not already on their register of interest, in any item on the agenda and withdraw from the meeting at the appropriate time.

No declarations were made at this meeting.

#### **AUD Minutes of Last Meeting**

**78/2**

**1-22** RESOLVED – That the Minutes of the meeting of the Audit and Corporate Governance Scrutiny Committee held on 1 December 2021 be approved as a correct record and signed by the Chair.

#### **AUD Audit Certificate/Annual Auditors Report**

**79/2**

**1-22** Mike Norman (Mazars) was present at the meeting to present the Annual Auditors Report from Mazars. The report summarised the work of the Council's external auditor for the year ended 31 March 2021.

The Committee discussed the upcoming Medium Term Financial Plan (MTFP) which was due to be presented to the Committee at the meeting, prior to the report being taken to Cabinet and Council.

RESOLVED – That the report be noted.

**AUD** **Summary of Progress on the Internal Audit Plan**

**80/2**

**1-22**

The Internal Audit Consortium Manager presented, for Members information, a progress report in respect of the 2020/21 Internal Audit Plan.

The Committee discussed the Section 106 action plan and requested more detail to reassure Members following the discussion held at a recent meeting of Council. The Committee reaffirmed their concerns in regards to developers who enter liquidation, and subsequently do not pay the monies that are owed to the Council. It was agreed that officers from Planning would be invited to the next meeting to answer any questions Members had in respect of financial matters concerning Section 106 Agreements as per the Committee's remit.

RESOLVED – That the report be noted.

**AUD** **External Review of Internal Audit - Action Plan Progress**

**81/2**

**1-22**

The Internal Audit Consortium Manager presented, for Members information, a progress update in respect of implementing the recommendations arising from the external review of internal audit.

The Committee discussed the Action Plan Progress Update December 2021, specifically, recommendation No 12. The Internal Audit Consortium Manager explained that the recommendation was disagreed with in respect of draft reports.

Members also enquired about the training of staff, and if the quality of training had been affected by the Pandemic.

RESOLVED – That the report be noted.

**AUD** **Medium Term Financial Plan 2021/22 - 2025/26**

**82/2**

**1-22**

The Assistant Director of Finance and Resources presented a report which enabled the Committee to consider the Medium Term Financial Plan (MTFP) 2021/22 to 2025/26 prior to the report being taken to Cabinet and Council.

The Committee had a wide ranging discussion in relation to the Plan including the net costs of services, covid grants, resilience reserves, efficiency savings and targets (including digital transformation), Council tax rates, and improvements to leisure services in the District.

Members were informed that an audit was currently being conducted in regards to the Council's Digital Transformation Strategy, and that the findings of this would be presented to the Committee's May meeting.

The Committee agreed it was vital that the Council was on track to achieve its efficiency savings. Members suggested that regular reports from Heads of Service which outlined how those savings were being made, and a traffic light system which rated how projects were progressing in achieving their efficiency saving targets, could help the Authority achieve its financial savings.

The Committee commented that they would like to see a more detailed and specific breakdown of the projects outlined in the Plan to assess how they were going to achieve the necessary savings outlined. The Chair advised the Committee that it is Leadership's role to manage the plan and the Committee would have the opportunity to scrutinise this during the year.

RESOLVED – That the report be noted.

**AUD** **Treasury Management Strategies 2021/22 - 2025/26**

**83/2**

**1-22**

The Committee considered the Treasury Strategy Reports 2022/23 to 2025/26 prior to them being taken to Council for approval.

The report outlined the Council's proposed suite of Treasury Strategies for the period. This included the Treasury Management Strategy, the Capital Strategy, and the Investment Strategy.

Members discussed risk in regards to the Council's financial investments. The Committee agreed that the Council could be too risk adverse, and as result this could result in a poorer return in investments as opposed to other local authorities.

The Chair proposed that the Committee add an additional recommendation to the report.

RESOLVED –

1. That the Committee note the report.
2. That there be a consideration on the returns of investment and a report be brought back to the Committee this civic year.

**AUD** **Scrutiny of the Growth Directorate Revised Budgets 2021/22**

**84/2**

**1-22**

The Committee welcomed the Director of Growth to the meeting who presented a report outlining information on the revisions to the Growth Directorate Budget for 2021/22.

The Director of Growth explained that the largest variant to the budget was due to hiring senior members of staff, including an interim property and estates assistant director. Members noted that these officers were highly experienced and whose roles were to bring income into the Council through the expansion of growth projects in the District.

The Committee heard that other than this, the Growth Service was essentially cost neutral to the Council. It was, however, important that variances to the budget were monitored to ensure continued value for money. The Directorate's activities continue to promote economic growth in the District such as jobs and skills.

Members discussed parking solutions. It was confirmed that a report would be submitted to Cabinet in the near future which outlined the Residential Parking

Strategy and included initial pilot schemes in the District in which planning permission had been submitted. The Committee noted that this would be funded through the HRA budget.

The Director of Growth discussed the Tourism Strategy, and that although this had been severely affected by the Pandemic, progress had been made with the recent appointments of two tourism officers.

RESOLVED – That the report and update be noted.

**AUD** **Committee Work Programme 2021-2022**

**85/2**

**1-22**

The Chair confirmed additions to the Work Programme. A verbal update in respect of Section 106 agreements would be provided by officers from Planning at the next meeting. A report on the audit of the Council's Digital Transformation Strategy would also be submitted to the meeting in May.

The Internal Audit Consortium Manager advised that the item concerning CIPFA Fraud would be removed from the next meeting.

RESOLVED – That the Committee noted and approves the Work Programme.

**AUD** **Forward Plan of Executive Decisions**

**86/2**

**1-22**

RESOLVED – That the Forward Plan of Executive Decisions be noted.

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

**87/2**

**1-22**

There were no urgent matters to be discussed at this meeting.

**AUD** **Date of Next Meeting**

**88/2**

**1-22**

The next scheduled meeting of Audit & Corporate Governance Scrutiny Committee is to be held on 23 February 2022.