

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

### **MINUTES OF MEETING HELD ON WEDNESDAY, 9 NOVEMBER 2022**

#### **Present:**

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

Councillor William Armitage  
Councillor Stephen Clough  
Councillor Gerry Morley  
Councillor Kevin Tait

Councillor Nigel Barker  
Councillor Pat Kerry  
Councillor Ross Shipman

#### **Also Present:**

L Hickin	Managing Director - Head of Paid Service
J Dethick	Director of Finance and Resources & (Section 151 Officer)
D Johnson	Assistant Director - Property, Estates and Assets
J Williams	Head of Internal Audit Consortium
K Drury	Information Engagement & Performance Manager
T Scott	Governance and Scrutiny Officer
M Surridge	Mazars

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

40/2

2-23 No apologies for absence were received.

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

41/2

2-23 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 of Interest were received for the meeting.

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

42/2

2-23 RESOLVED – That the Minutes of the Audit & Corporate Governance Scrutiny Committee held on 28 September 2022 be approved as a correct record and signed by the Chair.

#### **AUD Audit Completion Report & Letter of Representation**

43/2

2-23 Members were presented with a report of the Council's External Auditor (Mazars) which outlined the Audit Completion Report and the Letter of Representation for the financial year 2021/22.

#### **RESOLVED**

(1) That the Audit and Corporate Governance Scrutiny Committee noted the attached report from the Council's external auditors Mazars.

- (2) That the Audit and Corporate Governance Scrutiny Committee approved the Letter of Representation contained within the Audit Completion Report and authorised the Chief Financial Officer to sign the letter on behalf of the Council.

**AUD** **Internal Audit Progress Update**

**44/2**

**2-23**

Members were presented with a progress report in respect of the 2022/23 Internal Audit Plan. Members were informed that a person had now been appointed to the vacant Senior Auditor post.

RESOLVED – That the Committee noted the report.

**AUD** **Performance Management**

**45/2**

**2-23**

The Information, Engagement and Performance Manager presented a report on the Quarter 2 outturns for the Council Plan 2019-2023 targets.

The report explained that out of the 77 targets:

- 49 (64%) were on track
- 1 (1%) target achieved this time, and
- 27 (35%) were achieved previously.

The Chair referred to target ECO13 ('Hold 4 events annually to foster effective links with further and higher education establishments') and felt the target needed more detail. The Information, Engagement and Performance Manager stated that the exact intention of the target would be investigated.

The Chair referred to target RES21 ('Invest in voluntary and community organisations to assist over 20,000 vulnerable and disadvantaged households per year') and felt the target should include evidence of what the Council did to help the vulnerable and disadvantaged.

Members discussed the target ECO32 ('Increase revenue from business centre meeting bookings by 10% each year to maximise the use of these district facilities') and enquired what the intention behind this target was. The Managing Director explained that the purpose of the target was to maximise meeting space.

The Chair requested that future Performance updates should be more consistent in length and format.

RESOLVED

- (1) That quarterly outturns against the Council Plan 2019-2023 targets were noted.
- (2) That the Information, Engagement and Performance Manager investigates the intentions of the ECO13 target.
- (3) That the Information, Engagement and Performance Manager

standardises the format of future Performance reports to give it a more consistent look.

**AUD** **Risk Management**

**46/2**

**2-23**

The Managing Director presented a report on the current position regarding Risk Management arrangements and the Strategic Risk Register as at 26 October 2022.

The Chair was disappointed that the Government's devolution deal had not been included in the report despite the Audit and Corporate Governance Scrutiny Committee requesting it previously. The Chair also believed that not enough was being done to communicate to the public precisely what devolution will mean.

Members discussed occasions where they had been told by officers they could not be told details of programmes like the window programme, with the reason being Data Protection. The Managing Director stated that this would be investigated.

Members discussed the joint venture with Robert Woodhead Ltd. being included in the register, and were pleased that this had been added following a request by the Committee.

RESOLVED – That the Audit and Corporate Governance Scrutiny Committee noted the report and Strategic Risk Register as at 26 October 2022 as set out in Appendix 1.

**AUD** **Corporate Debt**

**47/2**

**2-23**

The Director of Finance and Resources presented a report on the corporate debt position as at 30 September 2022.

RESOLVED – That the Audit and Corporate Governance Scrutiny Committee noted the report concerning the Council's corporate debt position as at 30 September 2022.

**AUD** **Revised Budget 2022-23**

**48/2**

**2-23**

The Director of Finance and Resources presented a report which set out revisions to the 2022/23 budget.

Members discussed the content of the report. They were concerned that some of the figures outlined would not be sustainable. The Director of Finance and Resources agreed that balancing the budget was going to be a significant challenge.

The Chair felt it would be beneficial for Members to see an action plan of efficiency tasks to be carried out. The Director of Finance and Resources explained that this would be included in the Medium Term Financial Plan.

Members referred to the 'Cost Of Ex-Employees' figure in Appendix 1 and enquired exactly what this meant. The Director of Finance and Resources

explained that this was an added cost onto pensions for employees who had retired.

Members referred to the 'Vacancy Savings' figure in Appendix 1 and were concerned that not filling vacancies to balance budgets could negatively impact service quality. The Director of Finance and Resources assured Members that the Medium Term Financial Plan would not rely on Vacancy Savings.

#### RESOLVED

- (1) That the Audit and Corporate Governance Scrutiny Committee noted the report concerning the Council's Medium Term Financial Plan - Revised Budgets 2022/23.
- (2) That the Audit and Corporate Governance Scrutiny Committee would be given the opportunity to scrutinise an action plan of efficiency tasks to be carried out when it considers the next Medium Term Financial Plan.

#### **AUD** Statement of Accounts 2021/22

**48/2**

**2-**

**231**

The Director of Finance and Resources presented a report proposing approval of the audited Statement of Accounts for 2021/22.

#### RESOLVED

- (1) That the Audit and Corporate Governance Scrutiny Committee approved the audited Statement of Accounts in respect of 2021/22.
- (2) That delegated powers were granted to the Chief Financial Officer in consultation with the Chair or Deputy Chair of the Audit and Corporate Governance Scrutiny Committee to agree any changes which may be necessary in order to ensure the finalisation of the external audit currently being concluded by the Council's external auditors, Mazars, to ensure completion of the Statement of Accounts by the statutory deadline of 30 November 2022.

#### **AUD** Assessment of Going Concern 2021/22

**48/2**

**2-**

**232**

The Director of Finance and Resources presented a report informing the Committee of an assessment of the Council as a 'going concern' for the purposes of producing the 2021/22 accounts.

RESOLVED – That the Audit and Corporate Governance Scrutiny Committee accepted the outcome of the Council's Section 151 Officer's assessment of the Council's 'going concern' status for the purpose of preparing the Statement of Accounts for 2021/22.

#### **AUD** Committee Work Programme 2022-23

**49/2**

**2-23**

The Head of Internal Audit Consortium referred to Internal Audit updates being included in the Work Programme for both meetings on 18 January 2023 and 15 February 2023, and suggested that there would not be anything to update at both

meetings because of them being in quick succession. The Chair agreed and requested that the Internal Audit update scheduled for 18 January 2023 should be removed from the Work Programme.

**RESOLVED**

- (1) That the Internal Audit update scheduled for 18 January 2023 was removed from the Work Programme.
- (2) That the Committee noted and approved the Audit and Corporate Governance Scrutiny Work Programme for the remainder of the 2022/2023 municipal year as set out in the attached Appendix 1.

**AUD Forward Plan of Executive Decisions**

**50/2**

**2-23**

**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.**

**51/2**

**2-23**

There were no urgent items to be discussed at the meeting.

**AUD Date of Next Meeting**

**52/2**

**2-23**

The next meeting of the Audit and Corporate Governance Scrutiny Committee will be on 3.00pm 18 January 2023.