

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

### **MINUTES OF MEETING HELD ON THURSDAY, 30 JANUARY 2020**

#### **Present:**

Councillor Mark Foster (Chair)  
Councillor Kevin Tait (Vice-Chair)

Councillor William Armitage  
Councillor Anthony Hutchinson  
Councillor Gerry Morley

Councillor Nigel Barker  
Councillor Pat Kerry  
Councillor Ross Shipman

#### **Also Present:**

J Dethick	Head of Finance and Resources
L Hickin	Joint Strategic Director - People
D Stanton	Governance Officer
J Williams	Internal Audit Consortium Manager

#### **488 Apologies for Absence**

Apologies for absence had been received from Councillor M Roe and M Norman (Mazars).

#### **489 Declarations of Interest**

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.

#### **490 Minutes of Last Meeting**

**RESOLVED** – That the Minutes of the meeting of the Audit and Corporate Governance Scrutiny Committee held on 27 November 2019 be approved as a correct record and signed by the Chair.

#### **491 Internal Audit Consortium Summary of Progress on the Annual Internal Audit Plan 2019/2020**

The Internal Audit Consortium Manager presented to Members information on the progress made by the Audit Consortium in respect of the 2019/20 Internal Audit Plan. The report also included a summary of Internal Audit Reports issued since the last meeting of the Committee.

The Committee discussed the Summary of Internal Audit reports, and noted the improvements in assurance level in respect of the taxi licensing and commercial and industrial property rents reports.

The Internal Audit and Consortium Manager commented that overall, there were no concerns as the report outlined all positive assurances and no findings of fraud.

RESOLVED – That the report be noted.

**492     CIPFA Fraud and Corruption Tracker 2019**

The Internal Audit Consortium Manager presented to Members the results of CIPFA's Fraud and Corruption Tracker (CFaCT) survey undertaken in 2019, which provided a picture of fraudulent activity in local government.

Members enquired about the response of the Council to housing benefit fraud, and potential court orders to residents who engaged in fraudulent activity. The Committee heard that there was over £253 million of fraud committed annually within local government. Members discussed the wide ranging fraud that took place, both accidental and criminal, and requested that figures outlining fraud within the District be brought to the next meeting. The Officer advised that some figures for previous years were available and that national figures were available from the National Fraud Initiative. Members noted that the Council followed FFCL guidance.

RESOLVED – That the report be noted.

**493     Strategic Risk Register and Partnership Arrangements**

The Joint Strategic Director – People updated Members on the current position regarding Risk Management and Partnership Arrangements and the Strategic Risk Register as at January 2020.

The Joint Strategic Director – People also presented the 2020 Risk Management Strategy to Members. The Officer advised the Committee that there would be a change in format for future meetings, which would include more information about the Risk Management Group.

The Committee heard that the Risk Management Group would be established to scrutinise and guarantee that mitigations and controls were in place to deal with risk. The Group would be able to make recommendations, ensure that good governance processes were in place and regularly review strategic risks. It was stated that the Group would be member led, and would also involve senior officers.

The Committee discussed the UK's departure from the European Union, and what measures were in place to help mitigate any risk. Members heard that there would be gradual changes to existing legislation, and that the government had set aside some funds for local authorities across the country.

Members noted that progress of the Risk Management Group would be reported back to the Audit and Corporate Governance Scrutiny Committee.

RESOLVED – That the report be noted.

**494     Medium Term Financial Plan 2019/2020 to 2023/2024**

The Committee considered a report of the Head of Finance & Resources and S151 Officer concerning the Medium Term Financial Plan (MTFP) 2019/2020 to 2023/2024 prior to the report being taken to Cabinet and Council.

Members had a wide ranging discussion in regards to the government funding review 2020/21. This included the New Homes bonus, business rates retention, fair funding review and business rates reset.

There was a consensus that plans should be in place to deal with any shortfalls, and Members discussed Council Tax rates and efficiency savings. The Committee enquired about the Right to Buy Scheme and its impact on housing management.

RESOLVED – That:-

- (1) The report be noted.
- (2) The Audit and Corporate Governance Scrutiny Committee resolved that whilst the Council's financial position was challenging, with good budget management it can achieve a manageable deficit.

**495     Treasury Strategy Reports 2020/2021 to 2023/2024**

The Committee considered a report of the Head of Finance & Resources and S151 Officer concerning the Treasury Strategy Reports 2020/2021 to 2023/2024 prior to them being taken to Council for approval.

RESOLVED – That the report be noted.

**496     Accounting Policies 2019/2020**

The Committee considered a report of the Head of Finance & Resources and S151 Officer, which requested approval of the accounting policies that it proposed to adopt for the current financial year in preparation of the Statement of Accounts 2019/2020.

RESOLVED – That the report be noted.

**497     Corporate Debt Quarter 3**

The Committee considered a report of the Head of Finance & Resources and S151 Officer, which presented to Members a summary of the corporate debt position as at 31 December 2019.

RESOLVED – That the report be noted.

**498      Corporate Plan Targets Performance Update - October to December 2020 (Q3 - 2019/2020)**

The Committee considered a report of the Information, Engagement and Performance Manager, which reported the Quarter 3 outturns for the Corporate Plan 2019/2020 targets.

The Committee discussed the Empty Homes Strategy, and how the Council could incentivise residents to reoccupy empty homes. Members requested that figures be provided to the Committee at the next meeting that outlined empty homes within the District. Members also raised potential contract issues with EON, given the planned removal of the New Homes Bonus.

Members welcomed the move towards online self-service transactions, and commended the new website as user friendly that would encourage more customers to use online transactions. The Committee recognised that generational habits could restrict growth towards self-service and cashless transactions, and envisaged that it would take many years before the authority became cashless. Members noted the ongoing trends within the organisation, such as an increase in online transactions and a decrease in telephone transactions.

RESOLVED – That progress against the Corporate Plan 2019/2020 targets be noted.

**499      Corporate Work Programme 2019/2020**

The Committee considered a report of the Joint Head of Corporate Governance and Monitoring Officer. The report would enable the Committee to consider its Work Programme for 2019/2020.

RESOLVED – That the report be noted.

**500      Urgent Business (Public Session)**

There was no urgent business to be considered at this meeting.

**501      Exclusion of Public**

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

**502      Parish Council Request Update**

The Committee heard that this request was ongoing, and that it would now be deferred to the next meeting.