

## Minutes of the Audit and Standards Committee Meeting held on 28 January 2020

Present: Martyn Tittley (Chairman)

### Attendance

Colin Greatorex	Alastair Little
Carolyn Trowbridge (Vice-Chairman)	Ann Edgeller
Ross Ward	David Williams
Victoria Wilson	Richard Ford
Susan Woodward	

**Also in attendance:** Andrew Reid (Ernst Young) Stephen Clarke (Ernst Young), Andrew Donaldson, Ann-Marie Davidson, John Tradwell, Lisa Andrews, Deborah Harris and Rob Salmon.

**Apologies:** Bernard Williams and Jill Hood

### PART ONE

Councillor Richard Ford was welcomed to the Committee by the Chairman

#### 130. Declarations of Interest

No declarations were made at the meeting. The Chairman reminded members that there was now a new code of conduct, approved by Council at its meeting on 19 December 2019.

#### 131. Minutes of the Meeting held on 2 December 2019

Under the Health and Safety report (Minute 121) Councillor Woodward asked for her specific question on whether concerns over the Health and Safety implications of Performance Improvements Plans and had these been raised by Unions at Health and Safety Committees and the response that it had not, be added to the minutes for clarity. This was agreed to.

**RESOLVED:** That, subject to the question and response (above) on minute 121 being added to the minutes, the minutes of the meeting held on 2 December be approved as a correct record and signed by the Chairman.

The Chairman confirmed that he had received a reply from the Leader of the Council under minute 129 relating to the Property review. A member was of the opinion that the response felt as though the issues were in the past and that responsibility had not been accepted for the failings. The member reminded the Committee that a number of the recommendations had not yet been implemented and it was far too soon to suggest that lessons had been learnt and that issues were in the past. The Chairman reminded the

Committee that they would receive an update report on the recommendations made in June 2020.

### **132. Annual Audit Letter 2018/19**

Stephen Clark introduced the Annual Audit letter for the year ending 31 March 2019 written by Ernst Young. It was a summary of the work undertaken by Ernst Young in 2018/19, with many of the items already considered by the Committee.

There was a question on why the academisation of some schools and transferring of the school (disposal) did not appear in the correct financial year. The Committee was informed that this was a specific issue of the timing of the transfer receiving the disposal notification for Legal Services after the end of the financial year which meant that these transactions were not being accounted for in the correct financial year.

The Committee asked for information on how many Councillors had not completed their declarations of Interests, Members were informed that there were two forms, one a financial form sent directly to the Section 151 officer and one relating to the Code of Conduct declaration of Interests. It was explained that the second form had been revised and members would be required to re complete it, if they had not already done so.

#### **RESOLVED:**

- a) That the report be noted
- b) That the Chairman write to the leaders of all the political parties suggesting that they ensure all their members complete both forms.

### **133. Potential Appointment of Independent Members to Audit Committees**

The Head of Audit and Financial Services presented a report requesting members to consider the desirability of appointing an independent person to join the Committee to help scrutinise the performance of the Audit function.

The report came as a result of a recommendation in a recent CIPFA guidance document 'Practical Guidance for Local Authorities and Police (2018 edition). The Committee reviewed its effectiveness against the standards in October 2018 and asked Officers to explore the potential benefits of appointing an Independent Member.

Research into other Local Authority practice had found that from a sample of 42 Local Authorities, 12 currently appointed Independent Panel Members. Included in the report were a list of possible skills, experience, disqualifications and attributes required of the role.

The Committee felt that the principle of having an Independent Panel Member was a good one and could enhance transparency. However, it was felt that there were external auditors and professional internal officers supporting the work of the committee, who provided a check and balance, and that a further panel member may not add anything to the effectiveness of the Committees work, particularly if they didn't have the right skills set. There was also concern that elected members had to adhere to a code

of conduct, declare interests and were subject to sanctions if their position was abused, whereas a member of the public may not have to sign up to the same level of accountability.

It was agreed that the Committee was not totally opposed to the idea of an Independent Panel Member, however, it was felt that now was not an appropriate time and much could be learnt from the experience of other Local Authorities.

**RESOLVED:**

- a) That the report be noted
- b) That the Committee accept in principle the possibility of an independent panel member but requested that officers reevaluate the success/benefit of the posts with other Local Authorities at some point in the future prior to a report back to this committee.

**134. Local Government Sector Update - Quarter 3 and 4**

Andrew Reid from Ernst Young presented the Local Government Sector Update quarters 3 and 4.

There were key questions for the Audit Committee at the rear of both quarter update reports, particularly around the spending gap; the Children's Services budget and timescales; the green revolution and the new digital audit. Members asked for these to be answered and sent to the Committee for information.

**RESOLVED:**

- a) That the report be noted.
- b) The answers to the questions at the rear of the update reports be sent to Members of the Committee for information.

**135. Forward Plan 2019/20 and 2020/21**

The Committee were reminded that their next meeting was scheduled for 20 April 2020.

A Member asked when the new code of conduct would be evaluated and reviewed. It was agreed that this would be added to the forward plan.

**RESOLVED:**

- a) That the Forward Plan be noted
- b) That the review of the new Members Code of Conduct be added to the forward Plan.

**136. Exclusion of the Public**

**RESOLVED:** That the public be excluded from the meeting for the following items of business which involve the likely disclosure of exempt information as defined in the paragraphs of Part 1 of schedule 12A of the Local Government Act 1972 indicated below.

The Committee proceeded to consider the following items:

**137. Exempt Minutes of the meeting held on 2 December 2019**

**RESOLVED:** That the Exempt Minutes of the meeting held on 2 December 2019 be confirmed as a correct record and signed by the Chairman.

**138. Office 365 - Project Governance - Final Audit Report 2019/20**

(Exemption paragraph 3)

**Chairman**