

CHILTERN DISTRICT COUNCIL

MINUTES of the Meeting of the **AUDIT AND STANDARDS COMMITTEE** held on **12 MARCH 2020**

PRESENT: Councillor J Gladwin - Chairman

Councillors: A Bacon
C Jackson
R J Jones
V Martin
C Wertheim

APOLOGIES FOR ABSENCE were received from Councillors C Ford, D Phillips, N Varley, and Independent Persons; E Jones and C Langley

86 MINUTES

The Minutes of the meeting of the Audit and Standards Committee held on 23 January 2020 were approved by the Committee and signed by the Chairman as a correct record.

87 DECLARATIONS OF INTEREST

There were no declarations of interest.

88 STANDARDS PROCEDURES FOR BUCKINGHAMSHIRE COUNCIL AND UPDATE ON THE LGA MODEL CODE

The new Standards Procedures for Buckinghamshire Council were presented for noting and it was explained that agreement was being sought for the authorisation of the Council's Monitoring Officer to respond to the LGA (Local Government Association) on behalf of Chiltern District Council with regard to the proposed Model Code of Conduct.

The shadow authority for Buckinghamshire Council had adopted the Standards for Procedures (shown in the appendix) on 27 February 2020 and it was similar to the Code of Conduct adopted by Chiltern District Council. Guidance for Councillors was currently being drafted to make it easier for the new Councillors to use.

The Civility in Public Life proposal by the LGA was shown in Appendix 3. It was explained that this had been drawn up due to the increase in intimidation towards Councillors. One major change to consider was the proposal for the

power to suspend councillors. This would require legislation before it could be formally adopted.

RESOLVED

- 1. To note the Code of Conduct and Complaints Procedure adopted by Buckinghamshire Council.**
- 2. To authorise the Monitoring Officer to respond to the Local Government Association Consultation, in consultation with the Chairman of Audit & Standards Committee.**

89 COMPLAINTS MONITORING REPORT 2019/2020

It was confirmed that no complaints had been received during the previous year.

RESOLVED

To note that there had been no complaints.

90 ANNUAL INTERNAL AUDIT REPORT

Chris Harris from TIAA presented the internal audit reports. All planned audits had been completed with the exception of 4 and so there was sufficient to give a favourable opinion for the year. A summary of the position was presented on pages 56 – 57. The outstanding audits were expected to be completed by the end of March and if there were any recommendations not implemented, these would be forwarded to the new Council for the attention of the new auditors.

The audits currently in draft were:

1. Health and Safety internal arrangements.
2. Temporary housing accommodation.
3. Commercial rents.
4. Treasury Management

It was advised that since the report had been written, these had been completed and were "mainly reasonable" or "substantial satisfaction".

Committee Members were concerned that the Audit Committee would not see the outcome of these and it was asked if these could be circulated by email once available.

It was noted that the Waste Services audit had been cancelled. It was advised that it was no longer appropriate as a new contractor would soon be in place. The Committee considered that there should still be scrutiny up to the end of March and it was advised that the last audit of Waste had been in 2018.

There was reassurance that any issues would be picked up by the new auditors.

RESOLVED

To note the Annual Internal Audit Report

91 INTERNAL AUDIT PROGRESS REPORT

A summary of the position for final audits was given on pages 63 – 64 and the Priority 1 & 2 recommendations listed on page 65, relating to the report on Complaints and Compliance. There was concern around the delays in responding to these matters. It was not known why the delays had occurred and it was agreed that Officers would be reminded of the applicable time frames. It was also agreed that the outcome of these matters would be notified to the Committee Members.

RESOLVED

To agree the report and request that summaries of outstanding matters be circulated to Members.

92 FOLLOW UP REPORT OF ALL OUTSTANDING RECOMMENDATIONS

There was reassurance for the Committee that the Internal Auditor was working with Officers to produce a comprehensive list of all outstanding matters. A position statement of all the audit work done so far was being prepared for the new Council. This could be made available to Committee Members as well if required.

With regard to the CDC Car Park, Priority 3 recommendation, it was noted that this was outstanding. It was advised that they would be chasing the client who may have implemented the changes by now. If not, the latest position statement would be included in the report.

RESOLVED

It was agreed that a copy of the report should be circulated to Members of the Audit and Standards Committee in addition to the new Council.

93 ANNUAL GOVERNANCE REPORT 2019/20

The report provided a description of the controls and procedures required as sources of assurance. These include the Audit Committee itself through scrutiny and questioning, internal and external audit, key senior officers, service plans and implementing audit recommendations. The background evidence for these controls were provided in the appendices.

The Statement would need to be formally signed when the audited accounts were signed by the Chief Financial Officer and the Chief Executive of the new authority.

For governance of the new Council, 3 issues around the transition had been identified:

1. New Council needs to understand the service issues and risks.
2. New Constitution, delegations need to be at an appropriate level if the authority is to operate efficiently.
3. Business Continuity, an early review is required to identify essential infra-structure eg IT.

The main risks identified by Members related to the loss of staff during the transition phase to the new authority. It was noted that many of the finance team had left and were replaced by non-permanent employees. It was agreed that this risk should be added.

It was noted that the final figure for the net Pension Fund liability at 31 March 2020 had not been completed as it was not yet known, but members raised concern that recent events affecting the economy would have a material impact on the Fund's assets.

RESOLVED

To note the Annual Governance Statement 2019/20.

To request that the wording for the fourth risk be circulated to the Committee.

94 AUDIT PLANNING REPORT FROM EY

Andrew Brittain from Ernst & Young presented the report. Noting that the situation was unusual, the executive summary listed the audit risks and areas of focus.

The first 2 items were required by audit standards. The pension valuation was discussed by the Committee, it was noted that Grant Thornton were currently auditors and would continue to be when the pensions were put together for the new Council.

Property Valuations. It was advised that there was a co-ordinated approach across the 4 district councils, led by Wycombe District Council. The Lifestyle Centre was categorised as an "asset under construction" and the old leisure centre valued as "one more year". It was noted that this item was susceptible to misstatement.

Materiality was approximately £1.4 million and the audit opinion was set out on page 9 with no significant risks identified. The report would be sent to the National Audit Office.

With regard to the fees payable, it was advised that the PSAA had been asked to adjust the fees for the public sector to make the work more sustainable.

RESOLVED

That the report be noted.

The meeting ended at 7.55 pm