

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Audit and Governance Committee** held in the Civic Suite, Castle House, Great North Road, Newark, NG24 1BY on Thursday, 6 April 2023 at 6.00 pm.

PRESENT: Councillor Mrs S Michael (Chairman)
Councillor R Crowe (Vice-Chairman)

Councillor R Blaney, Councillor Mrs B Brooks, Councillor S Haynes and Councillor J Kellas and Mr C Richardson (Non-Voting Co-Optee)

APOLOGIES FOR ABSENCE: Councillor D Cumberlidge (Committee Member), Councillor Mrs E Davis (Committee Member), Councillor P Harris (Committee Member), Councillor B Laughton (Committee Member), Councillor J Lee (Committee Member) and Councillor T Smith (Committee Member)

47 DECLARATIONS OF INTEREST FROM MEMBERS AND OFFICERS

That no Member or Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

48 NOTIFICATION TO THOSE PRESENT THAT THE MEETING WILL BE RECORDED AND STREAMED ONLINE

Other than the Council recording in accordance with usual practice, there were no declarations of intention to record the meeting.

49 MINUTES OF THE MEETING HELD ON 1 FEBRUARY 2023

It was noted that Mr C Richardson the Non-Voting Co-Optee had been present at the 1 February 2023 meeting having been omitted from the minutes.

AGREED that the minutes of the meeting held on 1 February 2023 be approved as a correct record and signed by the Chairman.

50 STRATEGIC RISK MANAGEMENT

The Committee considered the report from the Safety and Risk Manager providing an update to Members on the status of the Council's 2023/24 Strategic Risk Register.

The report highlighted to Members that the contents of the previous Strategic Risk Register for 2022/23 was reviewed by Members in November 2022.

The Safety and Risk Manager explained the changes to the new Risk Register working with SLT, informing the Committee that SR210 Arkwood Development has been removed from the Strategic Risk Register and allocated to the Chief Executive as an operational risk, mirroring the operational risk approach utilised for A4Today.

An update to the report to be brought to the November Audit and Governance Committee.

AGREED (unanimously) that Members noted the amendments to the Strategic Risk Register and to highlight any issues of concern.

51 COUNCILLOR INDUCTION PROGRAMME MAY 2023

The Committee considered the report from the Assistant Director Legal & Democratic Services and Monitoring Officer providing feedback from the Member Working Group established to have oversight of the Councillor induction process following the May 2023 District Council election.

The report provided feedback from the Member Working Group with the suggestion for some of the Induction Programme to be delivered from sites other than Castle House with the example of the Civil War Centre or the Business Innovation Centre. As an alternative to this proposal, Officers had arranged a Bus Tour of the District on the two Fridays following the election, a morning session for the first Friday followed by an afternoon session for the second Friday.

The Assistant Director Legal & Democratic Services and Monitoring Officer advised the Committee that the candidate packs would be issued on the day of the election, however Councillor Blaney suggested the distribution in early April, to allow the pencilling of dates in diaries. The Assistant Director Legal & Democratic Services and Monitoring Officer would take this into consideration to issue earlier.

AGREED (unanimously) that:

- a) the report be noted; and
- b) the Councillor Learning and Development is included on the Committee's future work programme.

52 APPOINTMENT OF INDEPENDENT PERSONS

The Committee considered the report from the Assistant Director Legal & Democratic Services and Monitoring Officer to consider the appointment of Paul Cox and Sarah Britton as Independent Persons to the Council for a further 4-year term.

The report provided a reminder that in May 2019 Full Council appointed the two Independent Persons for a 4-year term. The Monitoring Officer having consulted with them both were happy to stand again for a further four years.

The Committee considered the annual rate for the Independent Persons noting it had remained the same for the last four years and to leave as it was with the option to review on an annual basis. The Committee also suggested more context for future reports, providing numbers of complaints the Independent Persons would attend if a hearing was to take place. This could all be considered when the new Council is in place.

AGREED (unanimously) that the Committee recommends to Full Council for Paul Cox and Sarah Britton to be appointed as Independent Persons to the Council for a further 4-year term.

53 COMBINED ASSURANCE REPORT

The Committee considered the report from the Business Manager for Financial Services receiving and commenting upon the Combined Assurance report for the 2022/23 financial year.

The report produced by Internal Audit demonstrated assurance levels working with SLT and business units. The Assistant Director Legal & Democratic Services and Monitoring Officer highlighted this was a helpful stock check and a comprehensive report.

AGREED (unanimously) that the Committee considered and commented upon the report.

54 ANNUAL INTERNAL AUDIT PLAN

The Committee considered the report from the Business Manager for Financial Services having presented the proposed Internal Audit Plan to the Committee for approval, in order for the Council to gain the relevant assurances throughout the 2023/24 financial year.

The report informed the Committee that the contract with Assurance Lincolnshire had ended on 31 March 2023 with works still to complete with respect to the Mansfield Crematorium audit and the Head of Internal Audit's Annual report, these to be taken to the next meeting.

Appendix B of the Internal Audit Plan provided the Committee with a list of those Audits undertaken in the last 5 years.

The Committee were informed that TIAA Ltd would be the Council's Internal Auditors for the next 5 years and would be attending the Committee meetings going forward.

AGREED (unanimously) that the Committee approved the Internal Audit Plan.

55 EXTERNAL AUDITORS' ANNUAL REPORT

The Committee considered the report from the Business Manager for Financial Services presenting the External Auditors' Annual report.

The representative from Mazars, present at the meeting had provided at Appendix A of the Auditor's Annual Report a summary of the work carried out by the External Auditors as the auditor for the Council for year ending 31 March 2022.

Councillor Blaney referred to page 108 of the Agenda as part of the External Auditors' Annual Report as it was felt that the statement in the first box was incorrect as in 2013/14 it was not a case of the Council agreeing to purchase the London Road Municipal Buildings when the Council already owned it and had been leasing it to Nottinghamshire County Council.

David Hoose from Mazars would take this away for correction and bring to the next meeting.

AGREED (unanimously) that Members received and noted the contents of the report.

56 ANNUAL EXTERNAL AUDIT PLANNING UPDATE 2022/23

The Committee considered the report from the Business Manager for Financial Services presenting the External Audit Strategy Memorandum for the 2022/23 Statement of Accounts work.

The Appendix providing the External Audit Planning Update for 2022/23 highlights the Audit approach and timelines, including the Council's Value for Money. It also includes what is expected to complete in April to inform the Annual Audit Strategy Memorandum to present at the next Audit & Governance Committee.

AGREED (unanimously) that Members noted the External Audit Planning Update 2022/23.

57 STATEMENT OF ACCOUNTING POLICIES 2022/2023

The Committee considered the report from the Assistant Business Manager for Financial Services to provide Members with updates made to the Council's accounting policies in relation to the closedown of the 2022/2023 financial year.

The Assistant Business Manager for Financial Services advised the Committee of an error when referring to 2.2 of the report informing of relevant key changes listed at 3.1 when it should actually be 2.1.

AGREED (unanimously) that Members approved the amended Statement of Accounting Policies for 2022/2023.

58 UNDERLYING PENSION ASSUMPTIONS FOR 2022/2023 STATEMENT OF ACCOUNTS

The Committee considered the report from the Assistant Business Manager for Financial Services providing Members with information regarding the assumptions made by the pension fund actuary in calculating the IAS 19 (International Accounting standard 19 – Employee Benefits) figures to be reported in the 2022/2023 Statement of Accounts.

The report explained how the Council use the calculated costs and the underlying assumptions, based upon the advice of the actuary of the Nottinghamshire County Council Pension Fund, Barnett Waddingham and the administering authority (Nottinghamshire County Council) when preparing the Annual Statement of Accounts.

AGREED (unanimously) that Members noted and approved the assumptions used in the calculation of pension figures for 2022/2023.

59 UNDERLYING VALUATION ASSUMPTIONS FOR 2022/2023 STATEMENT OF ACCOUNTS

The Committee considered the report from the Assistant Business Manager for Financial Services providing Members with information regarding the assumptions made by the Valuers in calculating the figures to be reported in the 2022/23 Statement of Accounts, as per the revaluation model approach taken by the Council under IAS 16 (International Accounting Standard 16 – Property, Plant and Equipment).

The report highlighted how the Council's dwelling assets are revalued every year with a desktop review and once every five years a full revaluation will take place. For the financial year 2022/23 being the fifth year therefore a full revaluation is required.

AGREED (unanimously) that Members noted and approved the assumptions used in the calculation of asset valuation figures for 2022/2023.

60 AUDIT & GOVERNANCE COMMITTEE WORK PLAN

The Committee considered the future Audit & Governance Committee Work Plan, noting that Mark Surridge at Mazars would be replacing David Hoose.

AGREED (unanimously) that the Audit & Governance Committee Work Plan be approved.

61 DATE OF NEXT MEETING

The next Audit & Governance Committee meeting to be held on Wednesday 14 June 2023.

Having reached the end of the cycle the Chairman of the Committee thanked everyone, including Officers for their guidance, Members, External representatives, those retiring or not elected and to those returning.

Meeting closed at 6.57 pm.

Chairman